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Federal Register

Briefings on How to Use the Federal Register—
For information on briefings in Washington, DC, see
announcement on the inside cover of this issue.



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THE FEDERAL REGISTER

WHAT IT IS AND HOW TO USE IT

- FOR:** Any person who uses the Federal Register and Code of Federal Regulations.
- WHO:** The Office of the Federal Register.
- WHAT:** Free public briefings (approximately 2 1/2 hours) to present:
1. The regulatory process, with a focus on the Federal Register system and the public's role in the development of regulations.
 2. The relationship between the Federal Register and Code of Federal Regulations.
 3. The important elements of typical Federal Register documents.
 4. An introduction to the finding aids of the FR/CFR system.
- WHY:** To provide the public with access to information necessary to research Federal agency regulations which directly affect them. There will be no discussion of specific agency regulations.

WASHINGTON, DC

- WHEN:** September 25; at 9 am.
- WHERE:** Office of the Federal Register,
First Floor Conference Room,
1100 L Street NW., Washington, DC.
- RESERVATIONS:** Doris Tucker 202-523-3419

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Proclamation 5518 of August 26, 1986

The President

Women's Equality Day, 1986

By the President of the United States of America

A Proclamation

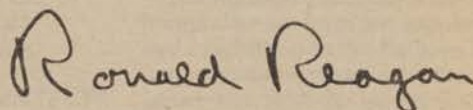
Sixty-six years ago our Constitution was amended for the nineteenth time—to grant women a cherished privilege of citizenship in a free Nation, the right to vote. Since then, women have not only availed themselves of their access to the voting booth, they have gone on to take part at every level of politics and government. We as a Nation are much the better for this fundamental enlargement of our public life.

Women's growing participation in public life has been paralleled by their increasing importance in every field. All of us benefit from the accomplishments of women in commerce, law, science, medicine, the arts, and every other area of human activity. We are most grateful for all of these achievements, just as we are for women's special role at the heart of the family and for the freedom of opportunity women have to determine the vocations they wish to pursue.

Each year we celebrate August 26, the anniversary of the ratification of the Nineteenth Amendment, as "Women's Equality Day," to honor the many contributions of women to our Nation.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim August 26, 1986, as Women's Equality Day. I call upon all Americans to mark this occasion with appropriate observances.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of August, in the year of our Lord nineteen hundred and eighty-six, and of the Independence of the United States of America the two hundred and eleventh.



January 1975

President of the United States

A President

OFFICE OF THE PRESIDENT

1000 Pennsylvania Avenue, N.W.

Washington, D.C. 20503

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Rules and Regulations

Federal Register

Vol. 51, No. 167

Thursday, August 28, 1986

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 927

[Docket No. AO-99-A5]

Winter Pears Grown in Oregon, Washington, and California; Order Amending the Marketing Agreement and Order

AGENCY: Agricultural Marketing Service.
ACTION: Final rule.

SUMMARY: This final rule further amends the marketing agreement and Marketing Order 927, covering winter pears grown in Oregon, Washington, and California. The amendment (1) authorizes funding for research, development, and paid advertising programs for specific varieties of pears; (2) revises the quorum, term of office, and voting procedures of the Control Committee; changes the committee representation districts; and authorizes the committee to appoint public advisers; (3) changes the varieties of winter pears covered under the marketing order by removing the Beurre Easter and Beurre Clairgeau varieties, and adding the Forelle and Seckel varieties grown in Oregon and Washington; and authorizes the committee to make further changes in the varieties or subvarieties covered; (4) limits the number of consecutive terms of office of committee members to three 2-year terms; (5) provides for the conduct of a referendum on continuance of the marketing order every 6 years beginning by 1992; (6) authorizes the committee to charge interest and late payment penalties on overdue assessments; (7) authorizes the committee to accept advance assessment payments and encourages such payments by authorizing payment discounts; and (8) authorizes the committee to recommend changes in the

fiscal period. The changes should improve program operations. The changes were approved by winter pear growers in a mail referendum conducted July 3-12, 1986.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT: Ronald L. Cioffi, Chief, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, Washington, DC 20250, telephone 202-447-5697.

SUPPLEMENTARY INFORMATION: Prior documents in this proceeding: Notice of Hearing issued June 4, 1985, and published in the June 11, 1985, issue of the Federal Register (50 FR 24531); Recommended Decision issued March 12, 1986, and published in the Federal Register (51 FR 9663) on March 20, 1986; Secretary's Decision issued June 16, 1986, and published in the Federal Register (51 FR 22526) on June 20, 1986.

This administrative action is governed by the provisions of sections 556 and 557 of Title 5 of the United States Code and therefore is excluded from the requirements of Executive Order 12291.

Preliminary statement

This final rule was formulated on the record of a public hearing held at Portland, Oregon, on June 20, 1985, to consider proposed further amendment of the marketing agreement and Marketing Order No. 927, hereinafter referred to as the "order". The hearing was held pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 *et seq.*), hereinafter referred to as the "act," and the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900). Notice of this hearing was published June 11, 1985 in the Federal Register (50 FR 24531), containing several amendment proposals submitted by the Winter Pear Control Committee established under the order. The Department proposed that it be authorized to make any necessary conforming changes.

Upon the basis of the evidence introduced at the hearing and the record thereof, the Administrator, on March 12, 1986, filed with the Hearing Clerk, U.S. Department of Agriculture, the Recommended Decision containing the notice of the opportunity to file written

exceptions thereto. That Recommended Decision was published in the March 20, 1986, issue of the Federal Register (51 FR 9663). The final date for receipt of written exceptions filed by interested persons was April 4, 1986. No exceptions were filed.

The Secretary's Decision issued June 16, 1986, directed that referendum be conducted during the period July 3-12, 1986, among winter pear producers in Oregon, Washington, and California to determine whether they favored various amendment proposals to the order. In that referendum, the winter pear producers voted in favor of all 8 amendment proposals listed on the referendum ballot.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Agricultural Marketing Agreement Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

Order Amending Order

Findings and Determinations

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 *et seq.*), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR

Part 900), a public hearing was held upon proposed amendment of the marketing agreement, as amended, and Marketing Order No. 927, as amended (7 CFR Part 927) regulating the handling of winter pears grown in Oregon, Washington, and California.

Upon the basis of the record it is found that:

(1) The order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The order, as amended, and as hereby further amended, regulates the handling of winter pears grown in the production area in the same manner as, and is applicable only to persons in the respective classes of commercial and industrial activity specified in, the marketing agreement and order upon which hearings have been held;

(3) The order, as amended, and as hereby further amended, is limited in its application to the smallest regional production areas which is practicable, consistent with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) There are no differences in the production and marketing of winter pears grown in the production area which make necessary different terms and provisions applicable to different parts of such areas; and

(5) All handling of winter pears grown in the production area is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

(b) *Additional findings.* It is necessary and in the public interest to make this order amending the order, as amended, effective not later than the date of publication in the *Federal Register*. Any delay beyond that date would tend to interfere with effective functioning and administration of the order. The amendatory order provides for improvements in the operation and functioning of the order, which need to be utilized as soon as possible during the current fiscal period, which began July 1, 1986. The specified effective date is necessary to meet these objectives.

In view of the foregoing, it is hereby found and determined that good cause exists for making this order effective upon publication in the *Federal Register*, and that it would be contrary to the public interest to delay the effective date of this order for 30 days after its publication in the *Federal Register* (Sec. 553(d), Administrative Procedure Act, 5 U.S.C. 551-559);

(c) *Determinations.* It is hereby determined that:

(1) The "Marketing Agreement, as Amended, Regulating the Handling of Winter Pears Grown in Oregon, Washington, and California" upon which the aforesaid public hearing was held has been signed by handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping covered by the said order, as amended, and as hereby further amended) who, during the period July 1, 1985, through June 30, 1986, handled not less than 50 percent of the volume of such pears covered by the said order, as amended, and as hereby further amended; and

(2) The issuance of this amendatory order, amending the aforesaid order, as amended, is favored or approved by at least two-thirds of the producers who participated in a referendum on the question of its approval and who during the period July 1, 1985, through June 30, 1986 (which has been deemed to be a representative period), have been engaged within Oregon, Washington, and California, in the production of winter pears for market, such producers having also produced for market, except for one amendment provision, at least two-thirds of the volume of such commodity represented in the referendum.

Order Relative To Handling

It is therefore ordered, That, on and after the effective date hereof, the handling of winter pears grown in Oregon, Washington, and California shall be in conformity to and in compliance with the following terms and conditions of the said order, as amended, and as hereby further amended, as set forth below:

List of Subjects in 7 CFR Part 927

Marketing agreements and order, Winter pears.

1. The authority citation for 7 CFR Part 927 continues to read as follows:

Authority: Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

PART 927—WINTER PEARS GROWN IN OREGON, WASHINGTON, AND CALIFORNIA

2. § 927.4 is revised to read:

§ 927.4 Pears.

"Pears" means and includes any and all of the Beurre, D'Anjou, Beurre Bosc, Winter Nelis, and Doyenne du Comice varieties of pears grown in Oregon, Washington, and California and any other winter pear varieties or subvarieties that are recognized by the

Control Committee and approved by the Secretary, including the Forelle and Seckel varieties, that are commercially grown in the States of Oregon and Washington.

3. § 927.9 is revised to read:

§ 927.91 Fiscal period.

"Fiscal period" means the period beginning July 1 of any year and ending June 30 of the following year or such annual beginning and ending dates as may be approved by the Secretary pursuant to recommendations by the Control Committee.

4. § 927.11 is amended by removing paragraph (f) and by revising paragraph (e) to read:

§ 927.11 District.

(e) California District shall include all of the State of California.

5. § 927.13 is added to read:

§ 927.13 Subvariety.

"Subvariety" means and includes any mutation, sport, or other derivation of any of the varieties covered in § 927.4 which is recognized by the Control Committee and approved by the Secretary. Recognition of a subvariety by the Control Committee shall include classification within a varietal group for the purposes of votes conducted under § 927.52.

6. § 927.20 is revised to read:

§ 927.20 Establishment and membership.

A Control Committee, consisting of 14 individual persons as its members, is hereby established to administer the terms and provisions of this subpart as specifically provided in §§ 927.20 through 927.35. There shall be two alternates, designated as the "first alternate" and the "second alternate," respectively, for each member of the committee. Seven members of the Control Committee and their respective alternates shall be growers of pears, and seven members and their respective alternates shall be handlers of pears. Each district shall be represented on the Control Committee by one grower member and one handler member except that the Hood River-White Salmon-Underwood District and the Wenatchee District shall be represented on the committee by two grower members and two handler members.

7. § 927.26 is revised to read:

§ 927.26 Qualifications.

Any person prior to or within 15 days after selection as a member or as an alternate for a member of the Control Committee shall qualify by filing with

the Secretary a written acceptance of the person's willingness to serve.

§ 927.27 is revised to read:

§ 927.27 Term of office.

The term of office of each member and alternate member of the Control Committee shall be for two years beginning July 1 and ending June 30: *Provided*, That the terms of office of one-half the initial members and alternates shall end June 30, 1988; and that beginning with the 1987-88 fiscal periods, no member shall serve more than three consecutive two-year terms unless specifically exempted by the Secretary. Members and alternate members shall serve in such capacities for the portion of the term of office for which they are selected and have qualified and until their respective successors are selected and have qualified. The terms of office of successor members and alternates shall be so determined that one-half of the total committee membership ends each June 30.

9. Paragraph (a) of § 927.33 is revised to read:

§ 927.33 Procedure of Control Committee.

(a) *Quorum and voting.* A quorum at a meeting of the Control Committee shall consist of ten members, or alternates then serving in the place of any members. Except as otherwise provided in § 927.52, all decisions of the Control Committee at any meeting shall require the concurring vote of at least 75 percent of those members present, including alternates then serving in the place of any members.

10. § 927.36 is added to read:

§ 927.36 Public advisors.

The Control Committee may appoint such public advisors as it deems appropriate and determine the compensation and defines the duties of such advisors.

11. § 927.41 is revised to read:

§ 927.41 Assessments.

(a) Assessments will be levied only upon the handler who first handles pears which subsequently are shipped from the State of Oregon, the State of Washington, or the State of California. Each handler shall pay, upon billing, assessments on all pears handled by such handler as the prorata share of the expenses which the Secretary finds are reasonable and are likely to be incurred by the Control Committee during a fiscal period. The payment of assessments for the maintenance and functioning of the Control Committee may be required under this part throughout the period such assessments are payable irrespective of whether particular

provisions thereof are suspended or become inoperative.

(b) Based upon a recommendation of the Control Committee or other available data, the Secretary shall fix the rate of assessment that handlers shall pay on all pears handled during each fiscal period, and may also fix supplemental rates of assessment on individual varieties or subvarieties to secure sufficient funds to provide for projects authorized under § 927.47. At any time during the fiscal period when it is determined on the basis of a committee recommendation or other information that a different rate is necessary for all pears or for any varieties or subvarieties, the Secretary may modify a rate of assessment and such new rate shall apply to any or all varieties or subvarieties that are shipped during the fiscal period.

(c) The Control Committee may impose a late payment charge on any handler who fails to pay any assessment within the time prescribed by the committee. In the event the handler thereafter fails to pay the amount outstanding, including the late payment charge, within the prescribed time, the Control Committee may impose an additional charge in the form of interest on such outstanding amount. The amount of such late payment charge and rate of interest, shall be prescribed by the Control Committee, with the approval of the Secretary.

(d) In order to provide funds to carry out the functions of the Control Committee prior to commencement of shipments in any season, handlers may make advance payments of assessments, which advance payments shall be credited to such handlers and the assessments of such handlers shall be adjusted so that such assessments are based upon the quantity of each variety of pears handled by such handlers during such season. Further, payment discounts may be authorized by the Control Committee upon the approval of the Secretary to handlers making such advance assessment payments.

12. § 927.47 is revised to read:

§ 927.47 Research and development.

The Control Committee, with the approval of the Secretary, may establish or provide for the establishment of production research or marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of pears. Such projects may provide for any form of marketing promotion, including paid advertising. The expense of such projects shall be paid from funds collected pursuant to

§ 927.41. Expenditures for a particular variety of pears shall approximate the amount of assessments collected for that variety of pears.

13. § 927.52 is revised to read:

§ 927.52 Prerequisites to Control Committee recommendations.

(a) Decisions of the Control Committee with respect to any recommendations to the Secretary pursuant to the establishment or modification of a supplemental rate of assessment for an individual variety of pears shall be made by affirmative vote of not less than 75 percent of the applicable total number of votes, computed in the manner hereinafter described in this section, of all committee members. Decisions of the Control Committee pursuant to the provisions of § 927.50 shall be made by an affirmative vote of not less than 80 percent of the applicable total number of votes, computed in the manner hereinafter prescribed in this section, of all committee members.

(b) With respect to a particular variety of pears, the applicable total number of votes shall be the aggregate of the votes allotted to the members of the committee in accordance with the following: Each member shall have one vote as an individual and, in addition, shall have an equal share of the vote of the district represented by such member; and such district vote shall be computed by the Control Committee as soon as practical after the beginning of each fiscal period on either—

(1) The basis of one vote for each 25,000 boxes (except 2,500 boxes for Forelle and Seckel varieties) of the average quantity of such variety produced in the particular district and shipped therefrom during the immediately preceding three fiscal periods to destinations outside the State in which produced; or

(2) Such other basis as the Control Committee may recommend and the Secretary may approve. The votes so allotted to a member of the committees may be cast by such member on each recommendation relative to the variety of pears on which such votes were computed.

14. Paragraphs (c) and (d) are revised, and a new paragraph (e) is added to § 927.78 to read:

§ 927.78 Termination.

(c) The Secretary shall terminate the provisions of this subpart at the end of any fiscal period whenever the Secretary finds that such termination is favored by a majority of the growers of

pears who, during such fiscal period, have been engaged in the area in the production of pears for market:

Provided, That such majority have produced for market during such period more than 50 percent of the volume of pears produced for market in the area. Such termination shall be effective only if announced on or before the last day of the then current fiscal period.

(d) The Secretary shall conduct a referendum within every six-year period beginning on the date this section becomes effective, to ascertain whether continuance of this subpart is favored by producers. The Secretary may terminate the provisions of this subpart at the end of any fiscal period in which the Secretary has found that continuance of this subpart is not favored by producers who, during a representative period determined by the Secretary, have been engaged in the production area: *Provided*, That termination of the order shall be effective only if announced on or before the last day of the then current fiscal period.

(e) The provisions of this part shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

EFFECTIVE DATE: August 28, 1986.

Signed at Washington, DC, on August 22, 1986.

Karen K. Darling,

Deputy Assistant Secretary, Marketing & Inspection Services.

[FR Doc. 86-19330 Filed 8-27-86; 8:45 am]

BILLING CODE 3410-02-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 86-CE-37-AD; Amendment 39-5401]

Airworthiness Directives; Maule Aerospace Technology, Inc., Models M-5-180C, M-5-210C, M-5-220C, and M-5-235C Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This amendment adopts a new Airworthiness Directive (AD), applicable to Maule Models M-5-180C, M-5-210C, M-5-220C, and M-5-235C airplanes, which requires the inspection of the fuel crossover supply line and rerouting of those lines that are forward of the front fuselage seat support frame. This action is prompted by reported

interference between the fuel crossover supply line and the flap ratchet handle when the line is forward of the front fuselage seat support frame. This interference has resulted in a damaged fuel line which could restrict fuel flow and cause engine power loss. The inspection and rerouting, if necessary, will detect and correct those lines subject to interference with the flap ratchet handle.

DATE: Effective Date: September 3, 1986.

Compliance: Required within the next 25 hours time in service.

ADDRESSES: Maule Service Bulletin No. 7, undated, applicable to this AD may be obtained from Maule Aerospace Technology, Inc., Route 5, Box 318, Moultrie, Georgia 31768, Telephone (912) 985-2045. A copy of the service bulletin is also contained in the Rules Docket, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, MO 64106.

FOR FURTHER INFORMATION CONTACT:

Mr. Gil Carter, ACE-140A, Aerospace Engineer, Propulsion Branch, Atlanta Aircraft Certification Office, 1075 Inner Loop Road, College Park, GA 30337; Telephone (404) 763-7435.

SUPPLEMENTARY INFORMATION: A 20°/40° flap ratchet handle has been installed on certain Maule M-5 series airplanes. It has been reported that an airplane with this installation also had the fuel crossover supply line routed forward of the front fuselage seat support frame. When the flap handle was moved to a maximum up position, it interfered with the fuel line, crushed it and resulted in restricted fuel flow to the engine. Maule Aircraft Corporation Service Bulletin No. 7 provides a means for correcting the crossover fuel supply line routing problem.

Since the FAA has determined that the unsafe condition described herein is likely to exist or develop in other airplanes of the same type design, an AD is being issued requiring inspection and, if necessary, removing, reinstalling, and rerouting of the fuel crossover supply line aft of the front fuselage seat support frame on Maule Models M-5-180C, M-5-210C, M-5-220C, and M-5-235C airplanes in accordance with the service bulletin. Because an emergency condition exists that requires the immediate adoption of this regulation, it is found that notice and public procedure hereon are impractical and contrary to the public interest, and good cause exists for making this amendment effective in less than 30 days.

The FAA has determined that this regulation is an emergency regulation that is not major under section 8 of Executive Order 12291. It is

impracticable for the agency to follow the procedures of Order 12291 with respect to this rule since the rule must be issued immediately to correct this condition in aircraft. It has been further determined that this document involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). If this action is subsequently determined to involve a significant regulation, a final regulatory evaluation or analysis, as appropriate, will be prepared and placed in the regulatory docket (otherwise, an evaluation is not required). A copy of it, when filed, may be obtained by contacting the Rules Docket under the caption "ADDRESSES" at the location identified.

List of Subjects in 14 CFR Part 39

Air transportation, Aviation safety, Aircraft, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends § 39.13 of Part 39 of the FAR as follows:

PART 39—[AMENDED]

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By adding the following new AD:

Maule Aerospace Technology (Formerly Maule Aircraft Corporation): Applies to Models M-5-180C (S/N 8001C through 8014C, 8016C through 8019C, and 8021C); M-5-210C (S/N 6001C through 6200C); M-5-220C (S/N 5001C through 5057C); and M-5-235C (S/N 7001C through 7045C, and 7047C through 7052C) airplanes certificated in any category.

Compliance: Required within the next 25 hours time-in-service after the effective date of this AD, unless already accomplished.

To prevent restricted fuel flow in the fuel crossover supply line, accomplish the following:

(a) Visually inspect the fuel crossover supply line as follows:

(1) If the line is found to be collapsed, install a serviceable line aft of the front fuselage seat support frame in accordance with Maule Service Bulletin No. 7, undated.

(2) If the line is not collapsed but is installed forward of the front fuselage seat support frame, remove and reinstall it aft of the front fuselage seat support frame in accordance with Maule Service Bulletin No. 7.

(3) If the line is not collapsed and is installed aft of the front fuselage seat support

frame, in accordance with Maule Service Bulletin No. 7, no further action is required.

(b) Airplanes may be flown in accordance with FAR 21.197 to a location, where this AD may be accomplished.

(c) An equivalent means of compliance with this AD may be used if approved by Manager, Atlanta Aircraft Certification Office, 1075 Inner Loop Road, College Park, Georgia 30337.

All persons affected by this directive may obtain copies of the documents referred to herein upon request to Maule Aerospace Technology, Inc., Route 5, Box 318, Moultrie, Georgia 31768; or the FAA, Rules Docket, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

This amendment becomes effective on September 3, 1986.

Issued in Kansas City, Missouri, on August 19, 1986.

Edwin S. Harris,

Director, Central Region.

[FR Doc. 86-19441 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 39

[Docket No. 86-CE-33-AD; Amdt. 39-5400]

Airworthiness Directives; Piper PA-23, PA-31, and PA-42 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new Airworthiness Directive (AD), applicable to certain Piper PA-23, PA-31 and PA-42 series airplanes, which requires replacement of certain hydraulic hoses, installed or replaced after February 1, 1985. This AD is prompted by the manufacturer's report that approximately 200 hoses were manufactured using material that does not meet the pressure requirements for operation of the aircraft hydraulic system. Failure of the hose will result in loss of hydraulic capabilities which could result in a gear up landing. Replacement of the defective hoses will preclude malfunction of the hydraulic system and the landing gear system.

EFFECTIVE DATE: September 2, 1986.

Compliance: Required within the next 25 hours time in service after the effective date of this AD unless already accomplished.

ADDRESSES: Piper Service Bulletin No. 822 dated April 2, 1986, may be obtained from Piper Aircraft Corporation, 2926 Piper Drive, Vero Beach, Florida 32960; Telephone (305) 567-4361. A copy of the service bulletin is also contained in the Rules Docket, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

FOR FURTHER INFORMATION CONTACT: Mr. Bill Trammell, Atlanta Aircraft Certification Office, ACE-130A, FAA, 1075 Inner Loop Road, College Park, Georgia 30337; Telephone (404) 763-7781.

SUPPLEMENTARY INFORMATION: The manufacturer has determined that certain Piper PA-23, PA-31 and PA-42 series airplanes may have hydraulic hose assemblies, Piper Part Number (P/N) 17766-02 (465-138), installed which were manufactured using hose material having less strength than required. The correct hose is manufactured in accordance with military specification MIL-H-8794 having operating pressure of 3000 psi. The incorrect hose was manufactured in accordance with military specification MIL-H-5593 having an operating pressure of only 200 psi and a burst pressure of only 1250 psi. The hydraulic system normal operating pressure in the airplane is 1950 psi. While no hose failure reports have been received by the FAA or by Piper, some aircraft manufactured after February 1, 1985, may have the incorrect hose installed. Also, any spare or replacement hose installed after February 1, 1985, may be the incorrect hose. Failure of the hose results in complete loss of hydraulic capabilities including the loss of ability to release the landing gear up-lock function required for gear extension. This results in a gear-up landing. The FAA has determined that this condition is likely to exist or develop on an airplane in service; therefore an Airworthiness Directive is being issued which requires replacement of this hose on certain Piper Aircraft Corporation PA-23, PA-31, and PA-42 Series airplanes. Since an emergency condition exists that requires the immediate adoption of this regulation, it is found that notice and public procedures hereon are impractical and good cause exists for making this amendment effective in less than 30 days.

The FAA has determined that this regulation is an emergency regulation that is not major under Section 8 of Executive Order 12291. It is impracticable for the agency to follow the procedures of Order 12291 with respect to this rule since the rule must be issued immediately to correct this condition in aircraft. It has been further determined that this document involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). If this action is subsequently determined to involve a significant regulation, a final regulatory evaluation or analysis, as appropriate, will be prepared and

placed in the regulatory docket (otherwise, an evaluation is not required). A copy of it, when filed, may be obtained by contacting the Rules Docket under the caption "ADDRESSES" at the location identified.

List of Subjects in 14 CFR Part 39

Air transportation, Aviation safety, Aircraft, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends § 39.13 of Part 39 of the FAR as follows:

PART 39—[AMENDED]

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By adding the following new AD:

Piper Aircraft Corporation: Applies to the following model airplanes certificated in all categories:

Models affected:	Serial No. affected:
PA-23-150/160 Apache.	23-1 through 23-2046
PA-23-235 Apache.	27-505 through 27-622
PA-23-250 Aztec.	27-1 through 27-8154030
PA-31-300/310/325 Navajo.	31-5 through 31-8312019
PA-31-350 Navajo Chieftain.	31-5001 through 31-8452021
PA-31P Pressurized Navajo.	31P-3 through 31P-7730012
PA-31-350 T1020.	31-8253001 through 31-8553002
PA-31P-350 Mojave.	31P-8414001 through 31P-8414050
PA-31T Cheyenne.	31T-7400002 through 31T-7720069
PA-31T Cheyenne II.	31T-7820001 through 31T-8120104
PA-31T Cheyenne I.	31T-7804001 through 31T-8104101
PA-31T Cheyenne IA.	31T-8304001 through 31T-1104017
PA-31T2 Cheyenne IXL.	31T-8166001 through 31T-1166006
PA-31T3 T1040....	31T-8275001 through 31T-8375005, 31T-8475001 and 31T-5575001
PA-42 Cheyenne III.	42-7800001, 42-7800002, 42-7801003, 42-7801004, and 42-8001001 through 42-8001106
PA-42 Cheyenne IIIA.	42-8301001, 42-8301002, 42-5501003 through 42-5501023, 42-5501025

Compliance: Required within the next 25 hours time-in-service after the effective date of this AD, unless already accomplished.

To prevent a gear-up landing resulting from loss of hydraulic system capability, accomplish the following:

(a) Replace all hydraulic hoses identified as Piper Part Number 17766-02 (465-138), and having a smooth rubber surface and a blue colored end nut, with hoses of the same part number having a woven outer covering and

black colored end nut, in accordance with the criteria and instructions contained in the Piper Service Bulletin No. 822, dated April 2, 1986.

Note.—These hoses were available for installation starting February 1, 1985, and may have been installed as spares at any subsequent time.

(b) Airplanes may be flown in accordance with FAR 21.197 to a location where this AD may be accomplished.

(c) An equivalent method of compliance may be approved by the Manager, Atlanta Aircraft Certification Office, FAA, 1075 Inner Loop Road, College Park, Georgia 30337.

All persons affected by this directive may obtain copies of the document(s) referred herein upon request to Piper Aircraft Corporation, Vero Beach, Florida, or FAA, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

This amendment becomes effective on September 2, 1986.

Issued in Kansas City, Missouri on August 18, 1986.

Edwin S. Harris,

Director Central Region.

[FR Doc. 86-19442 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 75

[Airspace Docket No. 86-AWA-13]

Establishment of Jet Route J-212-AZ

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Correction to final rule; establishment of effective date.

SUMMARY: This action establishes an effective date of October 23, 1986, for the establishment of Jet Route J-212 between Buckeye, AZ, and Palm Springs, CA. The action to establish J-212 was originally published in the *Federal Register* on June 17, 1986 (51 FR 21902). Due to technical problems, the effective date of J-212 was suspended indefinitely on August 12, 1986 (51 FR 28809). Those problems have since been resolved by a 2-degree realignment of a radial in the description of the route.

EFFECTIVE DATE: 0901 UTC, October 23, 1986.

FOR FURTHER INFORMATION CONTACT: Gene Falsetti, Airspace and Air Traffic Rules Branch (ATO-230), Airspace-Rules and Aeronautical Information Division, Air Traffic Operations Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: (202) 267-9249.

SUPPLEMENTARY INFORMATION:

History

Federal Register Document 86-13564 was published on June 17, 1986, to establish Jet Route J-212. On August 12, 1986 (51 FR 28809) the rule was suspended indefinitely due to air traffic control (ATC) sectorization and minimum en route altitude problems associated with the route. Since that time, the problems have been resolved by a minor alteration of 2 degrees to the Palm Springs radial which helps to make up the route. This slight alteration provides for a traffic flow which is consistent with ATC sector needs without impacting other airspace areas or airspace user activities. The resolution of these technical difficulties permits an effective date of October 23, 1986, to be established.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 75

Aviation safety, Jet routes

Adoption of the Correction

Accordingly, pursuant to the authority delegated to me, the effective date of Federal Register Document 86-13564, as published in the *Federal Register* on June 17, 1986 (51 FR 21902) is October 23, 1986. The amendment is corrected to read as follows:

§ 75.100 [Corrected]

J-212 [New]

From Stanfield, AZ; Buckeye, AZ; INT Buckeye 265° and Palm Springs, CA, 093° radials; to Palm Springs.

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

Issued in Washington, D.C., on August 21, 1986.

Harold H. Downey,

Acting Manager, Airspace-Rules and Aeronautical Information Division.

[FR Doc. 86-19444 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 75

[Airspace Docket No. 85-AWA-48]

Realignment and Revocation of Jet Routes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; establishment of effective date.

SUMMARY: This action establishes the effective date of October 23, 1986, for ASD 85-AWA-48. ASD 85-AWA-48 realigns Jet Routes J-4, J-104, J-169 and J-50 and revokes J-181. Action on the docket had been suspended indefinitely on August 12, 1986 (51 FR 28809) due to technical problems associated with a companion docket (86-AWA-13). The change in the effective date is made to coincide with the revised effective date of ASD 86-AWA-13 which establishes Jet Route J-212 in the same area.

EFFECTIVE DATE: 0901 UTC, October 23, 1986.

FOR FURTHER INFORMATION CONTACT:

Gene Falsetti, Airspace and Air Traffic Rules Branch (ATO-230), Airspace-Rules and Aeronautical Information Division, Air Traffic Operations Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: (202) 267-9249.

SUPPLEMENTARY INFORMATION:

History

Federal Register Document 86-18042 published on August 12, 1986, suspended indefinitely the effective date of ASD 85-AWA-48 that was originally published on April 23, 1986 (51 FR 15310). This action establishes a revised effective date. The technical problems associated with a companion docket (86-AWA-13) have been resolved which permits an effective date of October 23, 1986, to be established.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities

under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 75

Aviation safety, Jet routes.

Accordingly, pursuant to the authority delegated to me, the effective date for Federal Register Document 86-09013, as published in the Federal Register on April 23, 1986 (51 FR 15310) is October 23, 1986.

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; EO 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

Issued in Washington, D.C., on August 21, 1986.

Harold H. Downey,

Acting Manager, Airspace Rules and Aeronautical Information Division.

[FR Doc. 86-19443 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF COMMERCE

International Trade Administration

15 CFR Parts 368, 369-377, 379, 385, 386, 390, and 399

[Docket No. 60620-6120]

Authority Citations and Codification Changes in the Code of Federal Regulations

AGENCY: Export Administration, International Trade Administration, Commerce.

ACTION: Final rule.

SUMMARY: Export Administration Regulations (15 CFR Parts 368-399) published in the Federal Register contain citations of the legal authorities under which they are issued. These citations are subsequently displayed with the regulations when they are codified in the Code of Federal Regulations (CFR). Presently, there are many authority citations at the end of various sections and supplements to parts throughout the CFR. This document removes those authority citations in accordance with Office of the Federal Register requirements to centralize the authority citations at the part level. In addition, this document revises certain paragraph designations in various sections of the Regulations in order to conform them with the system of paragraph designation used in the CFR.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT: Joan Maguire, Regulations Branch, Export Administration, Department of Commerce, Washington, DC 20230 (Telephone (202) 377-4479).

SUPPLEMENTARY INFORMATION:

Rulemaking Requirements

1. Because this rule concerns a foreign and military affairs function of the United States, it is not a rule or regulation within the meaning of section 1(a) of Executive Order 12291, and it is not subject to the requirements of that Order. Accordingly, no preliminary or final Regulatory Impact Analysis has to be or will be prepared.

2. Section 13(a) of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2412(a)), exempts this rule from all requirements of section 553 of the Administrative Procedure Act (APA) (5 U.S.C. 553), including those requiring publication of a notice of proposed rulemaking, an opportunity for public comment, and a delay in effective date. This rule is also exempt from these APA requirements because it involves a foreign and military affairs function of the United States. Further, no other law requires that notice of proposed rulemaking and an opportunity for public comment be given for this rule. Accordingly, it is being issued in final form. However, as with other Department of Commerce rules, comments from the public are always welcome. Written comments (six copies) should be submitted to: Joan Maguire, Regulations Branch, Export Administration, U.S. Department of Commerce, P.O. Box 273, Washington, DC 20044.

3. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by section 553 of the Administrative Procedure Act (5 U.S.C. 553) or by any other law, under sections 603(a) and 604(a) of the Regulatory Flexibility Act (5 U.S.C. 603(a) and 604(a)) no initial or final Regulatory Flexibility Analysis has to be or will be prepared.

4. This rule does not contain a collection of information requirement under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*

List of Subjects

15 CFR Part 368

Imports, Penalties Reporting and recordkeeping requirements.

15 CFR Part 369

Boycotts, Foreign trade, Reporting and recordkeeping requirements.

15 CFR Part 370

Administrative practice and procedure, Exports.

15 CFR Parts 371-376, 386, and 399

Exports, Reporting and recordkeeping requirements.

15 CFR Part 377

Administrative practice and procedure, Exports, Forests and forest products, Petroleum, Reporting and recordkeeping requirements.

15 CFR Part 379

Computer technology, Exports, Reporting and recordkeeping requirements, Science and technology.

15 CFR Part 385

Communist countries, Exports.

15 CFR Part 390

Administrative practice and procedure, Advisory committees, Exports.

Accordingly, Parts 368-377, 379, 385, 386, 390, and 399 of the Export Administration Regulations (15 CFR Parts 368-399) are amended as follows:

PARTS 368, 369, 370, 372, 374, 375, AND 376—[AMENDED]

1. The authority citation for 15 CFR Part 369 is revised to read as set forth below and the authority citations for 15 CFR Parts 368, 370, 372, 374, 375, and 376 continue to read as set forth below. The authority citations following the sections in Parts 369, 370, 372, 374, 375, and 376 and the supplements in Parts 369, 370, and 375 are removed.

Authority: Pub. L. 96-72, 93 Stat. 503, 50 U.S.C. App. 2401 *et seq.*, as amended by Pub. L. 97-145 of December 29, 1981, and by Pub. L. 99-64 of July 12, 1985; E.O. 12525 of July 12, 1985 (50 FR 28757, July 16, 1985).

PARTS 371, 373, 379, 385, 386, AND 399—[AMENDED]

2. The authority citations for 15 CFR Parts, 371, 373, 379, 385, 386, and 399 continue to read as set forth below. The authority citations following the sections in Parts 371, 373, 379, 385, 386, and 399 and the supplements in Parts 373, 379, and 385 are removed.

Authority: Pub. L. 96-72, 93 Stat. 503, 50 U.S.C. App. 2401 *et seq.*, as amended by Pub. L. 97-145 of December 29, 1981, and by Pub. L. 99-64 of July 12, 1985; E.O. 12525 of July 12, 1985 (50 FR 28757, July 16, 1985); Pub. L. 95-223, 50 U.S.C. 1701 *et seq.*, E.O. 12532 of September 9, 1985 (50 FR 36861, September 10, 1985).

PART 377—[AMENDED]

3. The authority citation for 15 CFR Part 377 continues to read as set forth below and the authority citations

following the sections and Supplement No. 3 in Part 377 are removed.

Authority: Pub. L. 96-72, 93 Stat. 503, 50 U.S.C. App. 2401 *et seq.*, as amended by Pub. L. 97-145 of December 29, 1981, and by Pub. L. 99-64 of July 12, 1985; E.O. 12525 of July 12, 1985 (50 FR 28757, July 16, 1985); sec. 103, Pub. L. 94-163, as amended, (42 U.S.C. 6212) as amended by Pub. L. 99-58 of July 2, 1985; sec. 28, Pub. L. 93-153, (30 U.S.C. 185); sec. 28, Pub. L. 95-372, (43 U.S.C. 1354); E.O. 11912 of April 3, 1976 (41 FR 15825, as amended); sec. 101 and 201(11)(e), Pub. L. 94-258, (10 U.S.C. 7420 and 7430(e)); and Presidential Findings (50 FR 25189, June 18, 1985).

PART 390—[AMENDED]

4. The authority citation for 15 CFR Part 390 continues to read as set forth below and the authority citations following the sections in Part 390 are removed.

Authority: Pub. L. 96-72, 93 Stat. 503, 50 U.S.C. App. 2401 *et seq.*, as amended by Pub. L. 97-145 of December 29, 1981, and by Pub. L. 99-64 of July 12, 1985; E.O. 12525 of July 12, 1985 (50 FR 28757, July 16, 1985); 50 U.S.C. 1701 *et seq.*; E.O. 12543 of January 7, 1986 (51 FR 875, January 9, 1986).

§ 368.2 [Amended]

5. Section 368.2 is amended by redesignating paragraphs (a)(12)(i) (A) and (b) as paragraphs (a)(12)(i) (A) and (B).

§ 369.2 [Amended]

6. Section 369.2 is amended by redesignating paragraphs (e)(2)(i) (A) and (b) as paragraphs (e)(2)(i) (A) and (B).

§ 370.11 [Amended]

7. Section 370.11 is amended by redesignating paragraphs (a)(1)(iii) (A), (b) and (c) as paragraphs (a)(1)(iii) (A), and (B), and (C); and paragraphs (a)(2)(iii) (A) and (b) as paragraphs (a)(2)(iii) (A) and (B).

§ 373.2 [Amended]

8. Section 373.2 is amended by redesignating paragraphs (c)(2)(iii) (A), (b) and (c) as paragraphs (c)(2)(iii) (A), (B), and (C); paragraphs (c)(2)(iv) (A) through (e) as paragraphs (c)(2)(iv) (A) through (E); and paragraphs (c)(2)(v) (A), (b) and (c) as paragraphs (c)(2)(v) (A), (B) and (C).

§ 373.7 [Amended]

9. Section 373.7 is amended by redesignating paragraphs (d)(1)(i) (A), (b) and (c) as paragraphs (d)(1)(i) (A), (B) and (C); paragraphs (d)(1)(ii) (A) through (e) as (d)(1)(ii) (A) through (E); paragraphs (d)(2)(ii) (A) through (d) as paragraphs (d)(2)(ii) (A) through (D); and paragraphs (d)(3)(ii) (A) and (b) as paragraphs (d)(3)(ii) (A) and (B).

§ 375.9 [Amended]

10. Section 375.9 is amended by redesignating paragraphs (g)(2)(iii) (A) through (j) as paragraphs (g)(2)(iii) (A) through (j).

§ 376.8 [Amended]

11. Section 376.8 is amended by redesignating paragraphs (b)(1)(i) (A) and (b) as paragraphs (b)(1)(i) (A) and (B).

§ 376.9 [Amended]

12. Section 376.9 is amended by redesignating paragraphs (b)(1)(iii) (A) through (d) as paragraphs (b)(1)(iii) (A) through (D); paragraphs (b)(2)(iii) (A), (b) and (c) as paragraphs (b)(2)(iii) (A), (B) and (C); paragraphs (b)(3)(iii) (A) through (d) as paragraphs (b)(3)(iii) (A) through (D); and paragraphs (c)(4)(ii) (A), (b) and (c) as paragraphs (c)(4)(ii) (A), (B), and (C).

§ 377.2 [Amended]

13. Section 377.2 is amended by redesignating paragraphs (c)(1)(ii) (A) and (b) as paragraphs (c)(1)(ii) (A) and (B); and paragraphs (d)(2)(ii) (A), (b) and (c) as paragraphs (d)(2)(ii) (A), (B) and (C).

§ 379.4 [Amended]

14. Section 379.4 is amended as follows:

a. Paragraphs (b)(1)(i) (A) through (e) are redesignated as paragraphs (b)(1)(i) (A) through (E) and paragraphs (b)(1)(ii) (A) through (c) are redesignated as paragraphs (b)(1)(ii) (A) through (C).

b. In paragraphs (f)(1) introductory text, the phrase "paragraph (f)(1)(i) (A) through (o) and (q) (not (p) or (r)) of this section" is revised to read "paragraph (f)(1)(i) (A) through (O) and (Q) (not (P) or (R)) of this section" (two revisions); the reference "§ 379.4(f)(1)(p)" is revised to read "§ 379.4(f)(1)(P)" (three revisions); and the reference "§ 379.4(f)(1)(r)" is revised to read "§ 379.4(f)(1)(R)" (three revisions).

c. Paragraphs (f)(1)(i) (A) through (r) are redesignated as paragraphs (f)(1)(i) (A) through (R); and paragraphs (f)(1)(ii) (A) and (b) are redesignated as paragraphs (f)(1)(ii) (A) and (B).

d. Paragraphs (f)(2)(i) (A), (b) and (c) are redesignated as paragraphs (f)(2)(i) (A), (B) and (C); paragraphs (f)(2)(ii) (A), (b) and (c) are redesignated as paragraphs (f)(2)(ii) (A), (B) and (C); and paragraphs (f)(2)(v) (A), (b) and (c) are redesignated as paragraphs (f)(2)(v) (A), (B) and (C).

e. In the Note following newly redesignated paragraph (f)(2)(ii)(C), the reference "§ 379.4(f)(2)(ii) (b) and (c)" is revised to read "§ 379.4(f)(2)(ii) (B) and (C)" (two revisions); and the reference

"§ 379.4(f)(2)(ii)(b)" is revised to read "§ 379.4(f)(2)(ii)(B)".

f. In paragraph (g), the reference in the first sentence to "(f)(1)(i)(k)" is revised to read "(f)(1)(i)(K)".

§ 386.2 [Amended]

15. Section 386.2 is amended by redesignating paragraphs (b)(1)(i) (A) and (b) as paragraphs (b)(1)(i) (A) and (B).

§ 386.3 [Amended]

16. Section 386.3 is amended by redesignating paragraphs (p)(3)(ii) (A), (b) and (c) as paragraphs (p)(3)(ii) (A), (B) and (C).

§ 386.5 [Amended]

17. Section 386.5 is amended by redesignating paragraphs (b)(2)(i) (A), (b) and (c) as paragraphs (b)(2)(i) (A), (B) and (C).

§ 386.6 [Amended]

18. Section 386.6 is amended by redesignating paragraphs (d)(2)(i) (A) and (b) as paragraphs (d)(2)(i) (A) and (B); paragraphs (d)(2)(ii) (A) and (b) as paragraphs (d)(2)(ii) (A) and (B); paragraphs (g)(3)(ii) (A), (b) and (c) as paragraphs (g)(3)(ii) (A), (B) and (C); and paragraphs (g)(3)(iii) (A) through (d) as paragraphs (g)(3)(iii) (A) through (D).

§ 386.8 [Amended]

19. Section 386.8 is amended by redesignating paragraphs (b)(1)(iii) (A), (b) and (c) as paragraphs (b)(1)(iii) (A), (B) and (C).

§ 390.1 [Amended]

20. Section 390.1 is amended by redesignating paragraphs (b)(3)(ii) (A), (b) and (c) as paragraphs (b)(3)(ii) (A), (B) and (C).

Dated: August 21, 1986.

Walter J. Olson,

Deputy Assistant Secretary for Export Administration.

[FR Doc. 86-19358 Filed 8-27-86; 8:45 am]

BILLING CODE 370-DT-M

15 CFR Part 373

[Docket No. 60624-6124]

Distribution License Procedure; Clarifications, Corrections, and Conforming Amendments

AGENCY: Export Administration, International Trade Administration, Commerce.

ACTION: Final rule and correction.

SUMMARY: Final regulations revising the Distribution License (DL) procedure were published at 50 FR 21561, May 24,

1985. The DL regulations contain provisions that need to be corrected or clarified and require conforming changes to other parts of the Export Administration Regulations (15 CFR Parts 368 through 399). Accordingly, this rule makes the correcting, clarifying and conforming changes that are based on the DL regulations. The changes include a correction to a provision that incorrectly restates the prohibition on the export or delivery of commodities to nuclear end-users or for nuclear end-uses except to countries listed in Supplement No. 2 or 3 to 15 CFR Part 373, a clarification of exceptions to destination control notice requirements; and, a conforming amendment based on a certification required by distributors and end-users reexporting to South Africa and Namibia.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT: John Black or Patricia Muldonian, Regulations Branch, Export Administration, Department of Commerce, Washington, DC 20230 (Telephone (202) 377-2440).

SUPPLEMENTARY INFORMATION:

Regulatory Requirements

Prohibition of Export or Delivery of Commodities to Nuclear End-Users or End-Uses; Correction

A provision of the Distribution License (DL) procedure regulations (50 FR 21561, May 24, 1985) regarding the letter of transmittal accompanying an approved Form ITA-6052P, sent by an exporter to a consignee, restated certain other provisions of the regulations incorrectly. Specifically, in 15 CFR 373.3(g)(3)(viii), provisions of 15 CFR 373.3(a)(2) were incorrectly restated as prohibiting the export or delivery of commodities to nuclear end-users or for nuclear end-uses except in countries not listed in Supplement No. 2 or 3 to 15 CFR Part 373. The exception referred to correctly applies to countries listed in Supplement No. 2 or 3. The word "not" was inadvertently picked up in the regulations and is being corrected by this document.

Destination Control Notices; Clarification

Under the DL procedure, a consignee who resells commodities must notify the customers of restrictions on unauthorized reexports by placing a destination control notice on the commercial invoice. The regulations are now being clarified to indicate that the notice is not required when the shipment is to a customer in a country listed in Supplement No. 2 to 15 CFR Part 373, to

a customer in any other country designated as authorized to receive the equivalent of Supplement No. 2 status, and when the customer is another approved consignee, foreign government agency or retail customer.

South Africa and Namibia Certification Requirement; Conforming Amendment

In § 373.3(d)(3)(ii)(E)(3)(f) of the regulations, a special certification is required from distributors and end-users outside the Republic of South Africa and Namibia when exporting to these two countries under the DL procedure, in conformity with U.S. foreign policy toward these countries. The certification requirement currently contained in § 373.1(a)(2)(i) is now being amended to conform to the § 373.3 certification requirement.

Rulemaking Requirements

1. Because this rule concerns a foreign and military affairs function of the United States, it is not a rule or regulation within the meaning of section 1(a) of Executive Order 12291, and it is not subject to the requirements of that Order. Accordingly, no preliminary or final Regulatory Impact Analysis has been or will be prepared.

2. Section 13(a) of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2412(a)), exempts this rule from all requirements of section 553 of the Administrative Procedure Act (APA) (5 U.S.C. 553), including those requiring publication of a notice of proposed rulemaking, an opportunity for public comment, and a delay in effective date. This rule is also exempt from these APA requirements because it involves a foreign and military affairs function of the United States. Further, no other law requires that notice of proposed rulemaking and an opportunity for public comment be given for this rule. Accordingly, it is being issued in final form. However, like other Department of Commerce rules, comments from the public are always welcome. Written comments (six copies) should be submitted to: Joan Maguire, Regulations Branch, Export Administration, U.S. Department of Commerce, P.O. Box 273, Washington, DC 20044.

3. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by section 553 of the Administrative Procedure Act (5 U.S.C. 553) or by any other law, under sections 603(a) and 604(a) of the Regulatory Flexibility Act (5 U.S.C. 603(a) and 604(a)) no initial or final Regulatory Flexibility Analysis has been or will be prepared.

4. This rule mentions a collection of information under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.* However, the editorial corrections and clarifications being made do not affect this collection. The collection of this information has been approved by the Office of Management and Budget under control number 0625-0052.

List of Subject in 15 CFR Part 373

Exports, Reporting and recordkeeping requirements.

PART 373—[AMENDED]

Accordingly, Part 373 of the Export Administration Regulations (15 CFR Parts 368-399) is amended as follows:

1. The authority citation for 15 CFR Part 373 continues to read as follows:

Authority: Pub. L. 96-72, 93 Stat. 503, 50 U.S.C. App. 2401 *et seq.*, as amended by Pub. L. 97-145 of December 29, 1981 and by Pub. L. 99-64 of July 12, 1985; E.O. 12525 of July 12, 1985 (50 FR 28757, July 16, 1985); Pub. L. 95-223, 50 U.S.C. 1701 *et seq.*; E.O. 12532 of September 9, 1985 (50 FR 36861, September 10, 1985).

2. In § 373.1, paragraph (a)(2)(i) is amended by revising the text appearing after the paragraph heading and before the colon to read as follows:

§ 373.1 Introduction.

* * * * *

(a) * * *

(2) * * *

(i) *Sale to and servicing in the Republic of South Africa and Namibia.* The following certification is to be completed by resellers and end-users approved under the Distribution License procedure who are located in the Republic of South Africa or Namibia or are authorized to reexport to the Republic of South Africa or Namibia, and U.S. exporters and service facilities approved under the Service Supply (SL) procedure to service equipment in the Republic of South Africa or Namibia:

* * * * *

§ 373.3 [Corrected]

3. In § 373.3, paragraph (g)(3)(viii) is corrected by removing the word "not" appearing between the words "countries" and "listed" and paragraph (j)(3)(iii) is amended in the second sentence by adding the word "or" after "Part 373" and before "when the customer".

Dated: August 21, 1986.

Walter J. Olson,
Deputy Assistant Secretary for Export Administration.

[FR Doc. 86-19357 Filed 8-27-86; 8:45 am]
BILLING CODE 3510-DT-M

DEPARTMENT OF ENERGY

Federal Energy Regulatory
Commission

18 CFR Part 282

[Docket No. RM79-14]

Natural Gas Policy Act; Incremental
Pricing Acquisition Cost ThresholdsAGENCY: Federal Energy Regulatory
Commission.ACTION: Order Prescribing Incremental
Pricing Thresholds.

SUMMARY: The Director of the Office of Pipeline and Producer Regulation is issuing the incremental pricing acquisition cost thresholds prescribed by Title II of the Natural Gas Policy Act and 18 CFR 282.304. The Act requires the Commission to compute and publish the threshold prices before the beginning of each month for which the figures apply.

Any cost of natural gas above the applicable threshold is considered to be an incremental gas cost subject to incremental pricing surcharging

EFFECTIVE DATE: September 1, 1986.

FOR FURTHER INFORMATION CONTACT:

Raymond A. Beirne, Federal Energy Regulatory Commission, 825 N. Capitol Street NE., Washington, DC 20426, (202) 357-8500.

SUPPLEMENTARY INFORMATION:

[Docket No. RM79-14]

Publication of Prescribed Incremental Pricing Acquisition Cost Threshold of the NGPA of 1978.

Issued August 22, 1986.

Order of the Director, OPFR

Section 203 of the NGPA requires that the Commission compute and make available incremental pricing acquisition cost threshold prices prescribed in Title II before the

beginning of any month for which such figures apply.

Pursuant to that mandate and pursuant to § 375.307(1) of the Commission's regulations, delegating the publication of such prices to the Director of the Office of Pipeline and Producer Regulation, the incremental pricing acquisition cost threshold prices for the month of September, 1986 are issued by the publication of a price table for the month. The incremental pricing acquisition cost threshold prices for months prior to those reflected on the table are found in § 282.304.

The incremental pricing thresholds for September, 1986 reflect a two-month lag adjustment described in the notice of the March 1, 1986 thresholds.

List of Subjects in 18 CFR Part 282

Natural gas.

Raymond A. Beirne,

Acting Director, Office of Pipeline and
Producer, Regulation.

TABLE I.—INCREMENTAL PRICING ACQUISITION COST THRESHOLD PRICES

[Calendar year 1985]

	January	February	March	April	May	June	July	August	September	October	November	December
Incremental pricing threshold.....	\$2.373	\$2.378	\$2.383	\$2.388	\$2.399	\$2.410	\$2.421	\$2.427	\$2.433	\$2.439	\$2.446	\$2.453
NGPA section 102, threshold.....	3.869	3.890	3.911	3.932	3.962	3.992	4.022	4.045	4.068	4.091	4.116	4.141
NGPA section 109 threshold.....	2.452	2.457	2.462	2.467	2.478	2.489	2.500	2.506	2.512	2.518	2.525	2.532
130% of No. 2 fuel oil in New York City threshold.....	7.170	7.310	7.090	6.920	7.210	7.120	7.400	7.000	6.520	6.630	6.940	7.140

[Calendar year 1986]

	January	February	March	April	May	June	July	August	September
Incremental pricing threshold.....	\$2.460	\$2.467	\$2.474	\$2.481	\$2.487	\$2.493	\$2.499	\$2.504	\$2.509
NGPA section 102, threshold.....	4.166	4.191	4.216	4.241	4.264	4.287	4.310	4.332	4.354
NGPA section 109, threshold.....	2.539	2.546	2.553	2.560	2.566	2.572	2.578	2.583	2.588
130% of No. 2 fuel oil in New York City threshold.....	7.370	7.930	5.040	5.290	4.680	3.980	3.800	3.190	3.310

[FR Doc. 86-19370 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT****Office of the Secretary****24 CFR Parts 35, 905, 965 and 968**

[Docket No. R-86-1165; FR-1748]

**Lead-Based Paint Hazard Elimination
in Public and Indian Housing****Correction**

In FR Doc. 86-17469 beginning on page 27774 in the issue of Friday, August 1, 1986 make the following corrections:

1. On page 27781, third column, in item 7, in the twenty-second line, "chemically" was misspelled, and in the twenty-sixth line, "increase" was misspelled.

2. On page 27782, second column, last paragraph, in the third line, insert "P" between "L" and "P".

3. On page 27784, third column, first complete paragraph, in the twelfth line, "ar" should read "are".

PART 965—[CORRECTED]

4. On page 27789, second column, in the Authority citation, in the second line, "1437a" should read "1937".

§ 965.705 [Corrected]

5. On page 27790, second column, in § 965.705(c), in the sixth line, the first "of" should read "to".

§ 968.9 [Corrected]

6. On page 27792, first column, in § 968.9(e)(2)(ii), in the sixth line, insert a comma in place of the period, and in the seventh line, lowercase "the".

BILLING CODE 1505-01-M

**NATIONAL LABOR RELATIONS
BOARD****29 CFR Part 102****Procedural Rules**

AGENCY: National Labor Relations Board.

ACTION: Final rules.

SUMMARY: On 1 July 1986, the National Labor Relations Board published revisions to its rules and regulations that govern the time periods for responding to Board action. The published revisions

omitted two rules that should have been changed but were not included in the 1 July publication. These further revisions shall become effective on the same date as the prior published revisions.

EFFECTIVE DATE: September 29, 1986.

FOR FURTHER INFORMATION CONTACT:

John C. Truesdale, Executive Secretary, 1717 Pennsylvania Avenue, NW., Room 701, Washington, DC 20570, Telephone: (202) 254-9430.

SUPPLEMENTARY INFORMATION: Pursuant to its authority under section 6 of the National Labor Relations Act, as amended (20 U.S.C. 156), the National Labor Relations Board is revising its rules and regulations. On 1 July 1986, the Board published in the *Federal Register* (51 FR 23744) extensive revisions to its rules governing the time for responding to Board action. There were two revisions to the rules that were omitted from that publication. The first involves a change to a filing period and the second involves a cross-reference to a rule that was renumbered.

Section 102.88 of the rules and regulations establishes the procedure for holding a referendum under section 9(e)(1) of the National Labor Relations Act. This section presently provides for a 10-day period to appeal to the Board from a regional director's dismissal of a petition for a referendum. Consistent with the prior changes in times for filing with the Board, the new time period for filing is 14 days, which reflects the inclusion of 3 days for mail service of notification that commences the response time and a further increase in the time to utilize a multiple of 7 days.

Section 102.129(a), which governs prohibited communications, contains a cross-reference to § 102.112, which establishes what constitutes service and was revised and renumbered in the set of changes published in the 1 July 1986 *Federal Register*. Section 102.129(a) is now revised to refer to the new section 102.113, which will replace present § 102.112.

List of Subjects in 29 CFR Part 102

Administrative practice and procedure, labor management relations.

Accordingly, 29 CFR Part 102 is amended as follows:

PART 102—RULES AND REGULATIONS, SERIES 8, AS AMENDED

1. The authority citation for 29 CFR Part 102 continues to read as follows:

Authority: Section 6, National Labor Relations Act, as amended (29 U.S.C. 151, 156). Section 102.117(c) also issued under section 552(a)(4)(A) of the Freedom of Information Act, as amended (5 U.S.C. 552(a)(4)(A)). Sections 102.143(c), 102.144(a) and 102.147(b) also issued under section 504(c)(1) of the Equal Access to Justice Act, as amended (5 U.S.C. 504(c)(1)).

2. Section 102.88 is revised to read as follows:

§ 102.88 Refusal to conduct referendum; appeal to Board.

If, after a petition has been filed, and prior to the close of the hearing, it shall appear to the regional director that no referendum should be conducted, he shall dismiss the petition by administrative action. Such dismissal shall be in writing and accompanied by a simple statement of the procedural or other grounds. The petitioner may obtain a review of such action by filing a request therefor with the Board in Washington, DC, and filing a copy of such request with the regional director and the other parties within 14 days from the service of notice of such dismissal. The request shall contain a complete statement setting forth the facts and reasons upon which the request is based.

3. Section 102.129 is amended by revising paragraph (a) to read as follows; the introductory text is republished.

§ 102.129 Communications prohibited.

Except as provided in § 102.130, *ex parte* communications prohibited by § 102.126 shall include:

(a) Such communications, when written, if copies thereof are not contemporaneously served by the communicator on all parties to the proceeding in accordance with the provisions of § 102.113.

Dated, Washington, DC, August 22, 1986.

By direction of the Board.

National Labor Relations Board.

John C. Truesdale,

Executive Secretary.

[FR Doc. 86-19473 Filed 8-27-86; 8:45 am]

BILLING CODE 7545-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 100

[CGD3 86-55]

Special Local Regulations: Scorpion 100 Powerboat Race, Long Island, NY

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: Special Local Regulations are being adopted for the Scorpion 100 powerboat race. This event, sponsored by the South Bay Performance Association of East Patchogue, New York, is a high speed powerboat race involving offshore racing vessels ranging in size from 20 to 50 feet in length. This regulation is needed to provide for the safety of participants and spectators on navigable waters during this event.

EFFECTIVE DATE: This regulation becomes effective on September 8, 1986 from 10:00 a.m. to 3:00 p.m.

FOR FURTHER INFORMATION CONTACT:

Mr. Lucas A. Dlhopsky, (212) 668-7974.

SUPPLEMENTARY INFORMATION: A Notice of Proposed Rule Making has not been published for these regulations and they are being made effective in less than 30 days from the date of publication.

Following normal rulemaking procedures would have been impracticable. The application to hold this event was received on August 6, 1986 and there was not sufficient time remaining to publish proposed rules in advance of the event or to provide for a delayed effective date.

Drafting information

The drafters of this regulation are Mr. Lucas A. Dlhopsky, Project Officer, Third Coast Guard District Boating Safety Division, and Ms. MaryAnn Arisman, Project Attorney, Third Coast Guard District Legal Office.

Discussion of regulations

The Scorpion 100 is a powerboat race sponsored by the South Bay Performance Association in conjunction with Race Headquarters of Freeport, New York. The race is to be held within a rectangular area approximately 7.0 nautical miles long by 2.0 nautical miles wide, whose northern-most boundry is formed by the shoreline on the south shore of Long Island, New York between Fire Island Inlet and Jones Inlet. This

regatta will be held on September 6, 1986. Approximately 50 offshore racing vessels ranging in size from 20 to 50 feet are expected to participate in the event. The sponsor plans to provide 30 vessels in conjunction with Coast Guard and local authorities to patrol this event. Spectator craft which may number up to 400 will be required to remain south of a line formed by the patrol vessels which will be in position just south of the race course. In order to provide for the safety of life and property of both participants and spectators, the Coast Guard will restrict vessel movement in the regulated area.

List of Subjects in 33 CFR Part 100

Marine safety, Navigation (water).

Regulations

In consideration of the foregoing, Part 100 of Title 33, Code of Federal Regulations, is amended as follows:

PART 100—[AMENDED]

1. The authority citation for Part 100 continues to read as follows:

Authority: 33 U.S.C. 1233; 49 CFR 1.46 and 33 CFR 100.35.

2. Part 100 is amended by adding a temporary § 100.35-331 to read as follows:

§ 100.35-331 Scorpion 100, New York.

(a) *Regulated area.* Atlantic Ocean, between Fire Island Inlet and Jones Inlet in a rectangular area bounded on the south by a line joining 40 degrees 35.2 minutes North; 73 degrees 22.4 minutes West and 40 degrees 33.4 minutes North; 73 degrees 32.5 minutes West. The regulated area is bounded on the East and West by a line drawn from each of the two points described above, 345 degrees True to the shoreline, a distance of about 2.0 nautical miles. The northern boundary of the regulated area is at the shoreline.

(b) *Effective period.* This regulation will be effective from 10:00 a.m. to 3:00 p.m. on September 6, 1986.

(c) *Special local regulations.* (1) The regulated area will be closed to all vessel traffic during the effective period. No person or vessel shall enter or remain in the regulated area when it is closed unless participating in the event or authorized by the sponsor or the Coast Guard Patrol Commander.

(2) All persons or vessels not registered with the sponsor as participants or not part of the regatta

patrol are considered spectators.

Spectator vessels must remain in the area south of a line formed by the patrol vessels which will be in position south of the southern boundary of the race course.

(3) All persons and vessels shall comply with the instructions of U.S. Coast Guard patrol personnel. Upon hearing five or more blasts from a U.S. Coast Guard vessel, the operator of a vessel shall stop immediately and proceed as directed. U.S. Coast Guard patrol personnel include commissioned, warrant and petty officers of the Coast Guard. Members of the Coast Guard Auxiliary may be present to inform vessel operators of this regulation and other applicable laws.

(4) For any violation of this regulation, the following maximum penalties are authorized by law:

(i) \$500 for any person in charge of the navigation of a vessel.

(ii) \$500 for the owner of a vessel actually on board.

(iii) \$250 for any other person.

(iv) Suspension or revocation of a license for a licensed officer.

Dated: August 19, 1986.

J.C. Uithol,

Captain, U.S. Coast Guard, Acting
Commander, Third Coast Guard District.

[FR Doc. 86-19521 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-14-M

33 CFR Part 100

[CGD3 86-54]

Special Local Regulations: Burlington Triathlon, Lake Champlain, VT

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: Special Local Regulations are being adopted for the swimming segment of the Burlington Triathlon. This event is sponsored by the Ski Rack Company of Burlington, VT. Swimmers will compete on Lake Champlain in an area frequented by recreational vessels off North Beach just north of the city of Burlington, VT. This regulation is needed to provide for the safety of participants and spectators on navigable waters during this event.

EFFECTIVE DATES: This regulation becomes effective on September 14, 1986 beginning at 8:30 a.m. and terminating the same day at 11:00 a.m.

FOR FURTHER INFORMATION CONTACT: Mr. Lucas A. Dlhopsky, (212) 668-7974.

SUPPLEMENTARY INFORMATION: A Notice of Proposed Rule Making has not been published for these regulations and they are being made effective in less than 30 days from the date of publication. Following normal rulemaking procedures would have been impracticable. A determination was not made until August 7, 1986 that this marine event would require a special local regulation and there was not sufficient time remaining to publish proposed rules in advance of the event or to provide for a delayed effective date.

Drafting information

The drafters of this regulation are Mr. Lucas A. Dlhopsky, Project Officer, Third Coast Guard District Boating Safety Division, and Ms. MaryAnn Arisman, Project Attorney, Third Coast Guard District Legal Office.

Discussion of regulations

The Burlington Triathlon is a sporting contest, one segment of which involves a swimming event in Lake Champlain. The contest is sponsored by the Ski Rack Company in Burlington, Vermont. The swimming portion of the triathlon will take place in Lake Champlain starting and finishing at the North Beach area located north of the city of Burlington between 8:30 a.m. and 11:00 a.m. on September 14, 1986. The swimming event is to be held on triangular (isosceles) course whose apex is located in Lake Champlain, 1700 feet south of the North Beach bath house. Between 600 and 1000 swimmers are expected to participate in this portion of the Triathlon. The sponsor is providing from 5 to 8 vessels, some with life guards on board, in conjunction with Coast Guard and local authorities to patrol this event. Swimmers will use temporary buoys positioned by the sponsor as guides for the prescribed course. Spectator and transiting craft will be required to remain 50 yards away from any point along the swimming course. In order to provide for the safety of life and property of both participants and spectators, the Coast Guard will restrict vessel movement in the regulated area during the effective period of this special local regulation.

List of Subjects in 33 CFR Part 100

Marine safety, Navigation (water).

Regulations

In consideration of the foregoing, Part 100 of Title 33, Code of Federal Regulations, is amended as follows:

PART 100—[AMENDED]

1. The authority citation for Part 100 continues to read as follows:

Authority: 33 U.S.C. 1233; 49 CFR 1.46 and 33 CFR 100.35.

2. Part 100 is amended by adding a temporary § 100.35-330 to read as follows:

§ 100.35-330 Burlington Triathlon, Burlington, Vermont.

(a) *Regulated area.* Lake Champlain off North Beach, located just north of Burlington, VT, within 50 yards of the swimming course which starts directly in front of the North Beach bath house and extends south southeast 175 degrees True for a distance of 1700 feet to a point described by Latitude 44 degrees 29 minutes 14 seconds North; Longitude 73 degrees 14 minutes 22 seconds West. Thence north northeast 035 degrees True returning to the beach.

(b) *Effective period.* This regulation will be effective from 8:30 a.m. to 11:00 a.m. on September 14, 1986.

(c) *Special local regulations.* (1) The regulated area will be closed to all vessel traffic during the effective period. No person or vessel shall enter or remain in the regulated area when it is closed unless authorized by the sponsor or the Coast Guard patrol commander.

(2) All persons or vessels not registered with the sponsor as participants or not part of the marine event patrol are considered spectators. Spectator vessels must not enter the area within 50 yards of the swimming course.

(3) All persons and vessels shall comply with the instructions of U.S. Coast Guard patrol personnel. Upon hearing five or more blasts from a U.S. Coast Guard vessel, the operator of a vessel shall stop immediately and proceed as directed. U.S. Coast Guard patrol personnel include commissioned, warrant and petty officers of the Coast Guard. Members of the Coast Guard Auxiliary may be present to inform vessel operators of this regulation and other applicable laws.

(4) For any violation of this regulation, the following maximum penalties are authorized by law:

- (i) \$500 for any person in charge of the navigation of a vessel.
- (ii) \$500 for the owner of a vessel actually on board.
- (iii) \$250 for any other person.
- (iv) Suspension or revocation of a license for a licensed officer.

Dated: August 21, 1986.

J.C. Uithol,
Captain, U.S. Coast Guard, Acting
Commander, Third Coast Guard District.
[FR Doc. 86-19522 Filed 8-27-86; 8:45 am]
BILLING CODE 4910-14-M

33 CFR Part 117

[CGD8-86-7]

Drawbridge Operation Regulations; Clear Creek, TX

AGENCY: U.S. Coast Guard, DOT.

ACTION: Final rule—revocation.

SUMMARY: This amendment revokes the regulations for the State Highway 146 drawbridge across Clear Creek, mile 1.0, at Seabrook, Texas, because the drawbridge has been replaced by a fixed bridge. Notice and public procedure have been omitted from this action due to the removal of the bridge concerned.

EFFECTIVE DATE: This rule becomes effective on September 29, 1986.

FOR FURTHER INFORMATION CONTACT: Perry Haynes, Chief, Bridge Administration Branch, telephone (504) 589-2965.

SUPPLEMENTARY INFORMATION:

Drafting Information: The drafters of this rule are Perry Haynes, project officer, and Lieutenant Commander James Vallone, project attorney.

This action has no economic consequences. It merely revokes regulations that are now meaningless because they pertain to a drawbridge that no longer exists. Consequently, this action is considered to be non-major under Executive Order 12291 and nonsignificant under Department of Transportation regulatory policies and procedures (44 FR 11034, February 1979). Since there is no economic impact, a full regulatory evaluation is unnecessary. Because no notice of proposed rulemaking is required under 5 U.S.C. 553, this action is exempt from the Regulatory Flexibility Act (5 U.S.C. 605(B)). However, this action will not have a significant effect on a substantial number of small entities.

List of Subjects in 33 CFR Part 117

Bridges.

In consideration of the foregoing, Part 117 of title 33, Code of Federal Regulations, is amended as follows:

PART 117—DRAWBRIDGE OPERATION REGULATIONS

1. The authority citation for Part 117 continues to read as follows:

Authority: 33 U.S.C. 499; 49 CFR 1.46(c)(5); 33 CFR 1.05-1(g)(3).

§ 117.961 [Amended]

2. Section 117.961(a) is removed and § 117.961(b) becomes § 117.961.

Dated: August 13, 1986.

Peter J. Rots,

Rear Admiral, U.S. Coast Guard Commander,
Eighth Coast Guard District.

[FR Doc. 86-19520 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-14-M

DEPARTMENT OF DEFENSE

Corps of Engineers, Department of the Army

33 CFR Part 207

Navigation Regulations; McClellan-Kerr Arkansas River Navigation System

AGENCY: U.S. Army Corps of Engineers, DoD.

ACTION: Final rule.

SUMMARY: This final rule amends the regulations which govern the use, administration, and navigation of the McClellan-Kerr Arkansas River Navigation System. The revised regulation eliminates obsolete requirements and provides for an improved format similar to regulations promulgated by the Corps of Engineers for other waterways.

EFFECTIVE DATE: August 28, 1986.

ADDRESS: CDR USACE (DAEN-CWO-M), Washington, DC 20314-1000.

FOR FURTHER INFORMATION CONTACT: Mr. Harold C. Tohlen, Jr., Office of the Chief of Engineers, (202) 272-0245.

SUPPLEMENTARY INFORMATION: The proposed rule was published in the Federal Register on March 22, 1984, and comments were requested by April 23, 1984. One comment was received from the public. The discussion which follows responds to the comments received on the proposed regulations.

Section 207.275(g)(7)—This section limits the draft of a vessel to "at least two feet less than the least depth over the sills." The comment received stated that this requirement appeared excessive when compared with the requirement for the Ohio and Mississippi Rivers, which is found in 33 CFR 207.300 and states that "No vessel shall attempt to enter a lock unless its draft is at least three inches less than the least depth of water over the guard sills, or over the gate sills if there be no guard sills." The commentor suggested that an adequate clearance over the sills would be one foot. It is generally

recognized that it is profitable for tow operators to load their barges to the greatest draft that conditions will allow. The purpose of the two-foot clearance restriction is to provide a margin of safety so that the risk of the sill being damaged is minimized. Damage to a sill would likely close the lock until repairs could be made. Since the locks on the waterway have single chambers, any lock closure stops navigation. As a practical matter, the two-foot clearance restriction will not normally restrict the drafts to which barges can be loaded. The locks on the waterway were designed to provide a minimum depth of 14 feet over the sills while the authorized channel depth is nine feet. Therefore, in the vast majority of situations, the drafts at which tows can operate will be controlled by depths in the channel, not by the allowable depth over the lock sills. Therefore, the final rule retains the two-foot clearance restriction.

Section 207.275(j)(2)(i)—This section states "Vessels over 40 feet in length shall not land against revetted banks without written permission of the district engineer." The comment received recommended that a provision be included for emergency situations that require a mariner to land against a revetted shore. The final rule permits vessels to land or anchor against revetted banks in an emergency without written permission of the district engineer, provided adjacent locks are notified.

Section 207.275(k)(2)—This section prescribes sound signals for use during lockage. The commentor pointed out that the descriptions of the types of blasts to be used are not consistent with the Inland Navigation Rules promulgated by the U.S. Coast Guard. The final rule changes terminology and the definitions of blasts to be consistent with the Inland Navigation Rules.

Section 207.275(k)(2)(iv)—This section describes the signal to be used by lock personnel as a means of attracting attention, to indicate caution or to signal danger. The comment received pointed out that the signal, "four or more short blasts of the lock horn," was inconsistent with the danger signal described in the Inland Navigation Rules, which is "five or more short and rapid blasts." The final rule has been changed to be consistent with the Inland Navigation Rules.

In addition to the above changes made in response to comments received from the public, the following additional changes have been made in the final rule:

Section 207.275(g)(5)—The tow width for which two deckhands are required

on the bow of a tow until the bow passes the recessed miter gates has been changed from 105 feet to 100 feet. This is consistent with current operating procedures. In addition, the paragraph has been reworded for the purpose of clarification.

Section 207.275(g)(11)—This is a new section prohibiting the discharge of refuse into the lock, on the lock walls, on the esplanade, or on any other government property.

Section 207.275(k)(3)(iii)—This paragraph in the proposed regulations has been deleted. Use of a flashing amber light to indicate the lock is being made ready to receive vessels for lockage is not necessary and has been discontinued for safety reasons.

Sections 207.275(e)(2), (g)(9)(ii), and (l)(2)—These paragraphs have been reworded for the purpose of clarification.

The terms "guide wall" and "guard wall" have been changed to "river wall" and "land wall," respectively, throughout the regulations. This terminology is consistent with that used on other waterways. A limited number of additional revisions have been made for editorial purposes. All were minor.

Executive Order 12291

These regulations have been revised by the Department of the Army in accordance with Executive Order 12291. They are classified as non-major regulations because they do not meet the criteria for major regulations established in the order.

Regulatory Flexibility Act Certification

The Secretary of the Army certifies that the revisions to these regulations will not have a significant economic impact on a substantial number of small entities and thus does not require the preparation of a regulatory flexibility analysis.

List of Subjects in 33 CFR Part 207

Navigation (Water), Water transportation, Waterways.

For the reasons set out in the preamble, 33 CFR Part 207 is amended as follows:

PART 207—NAVIGATION REGULATIONS

1. The authority for Part 207 continues to read as follows:

Authority: 40 Stat. 266; 33 U.S.C. 1.

2. Section 207.275 is revised to read as follows:

§ 207.275 McClellan-Kerr Arkansas River navigation system: use, administration, and navigation.

(a) *Applicability of regulations.* These regulations apply to all locks and appurtenant structures, wharves, and other Corps of Engineers structures in the following waterways: The White River between Mississippi River and Arkansas Post Canal, Arkansas; Arkansas Post Canal, Arkansas; Arkansas River between Dam No. 2, Arkansas, and Verdigris River, Oklahoma; Verdigris River between Arkansas River and Catoosa, Oklahoma; and reservoirs on these waterways between Mississippi River, Arkansas, and Catoosa, Oklahoma.

(b) *Authority of district engineers.* The use, administration, and navigation of the structures to which this section applies shall be under the direction of the officers of the Army Corps of Engineers, detailed in charge of the respective districts, and their authorized assistants. The cities in which these district engineers are located, and the limits of their jurisdictions, are as follows:

(1) *District Engineer, U.S. Army Engineer District, Little Rock, Arkansas.* From Mississippi River, Arkansas, to Arkansas-Oklahoma State line at Fort Smith, Arkansas.

(2) *District Engineer, U.S. Army Engineer District, Tulsa, Oklahoma.* From Arkansas-Oklahoma State line at Fort Smith, Arkansas, to Catoosa, Oklahoma.

(c) *Authority of lockmasters.* The lockmaster shall be in charge with the immediate control and management of the lock and of the area set aside as the lock area. The lockmaster shall ensure that all laws, rules, and regulations for the use of the lock and lock area are duly complied with, to which end he/she is authorized to give all necessary orders and directions both to employees of the Government and to any person within the limits of the lock area, whether navigating the lock or not. No one shall cause any movement of any vessel or other floating thing in the lock area except by or under the direction of the lockmaster. Failure to comply with directions given by the lockmaster pursuant to the regulations in this section may result in refusal of lockage. For the purpose of the regulations in this section, the "lock area" is considered to be between the upstream and downstream arrival points. The district engineer may extend the limits of the lock area consistent with the safe and efficient use of the waterway.

(d) *Precedence at locks.* (1) Precedence shall be given to vessels owned by the United States, licensed

commercial passenger vessels operating on a published schedule or regularly operating in the "for hire" trade, commercial tows, rafts, and pleasure craft, in the order named. Precedence being equal, the first vessel to arrive at a lock will normally be the first to lock through; however, the lockmaster may depart from this procedure to achieve optimum utilization of the lock or in accordance with the order of precedence stated above and paragraphs (d)(2) and (h). Arrival points have been established ashore upstream and downstream of the locks. Vessels arriving at these markers or the mooring cells immediately upstream and downstream of the lock will be considered as having arrived at the lock within the meaning of this subparagraph.

(2) Vessels or tows, with overall dimensions greater than 105 feet wide or 595 feet long may transit the lock at such time as the lockmaster determines that they will neither unduly delay the transit of craft of lesser dimensions, nor endanger the lock structure and appurtenances because of wind, current, or other adverse conditions. These craft are also subject to such special handling requirements as the lockmaster deems necessary at the time of transit.

(e) *Safety rules for vessels using navigation locks.*

(1) Leaking vessels may be excluded from the locks.

(2) Smoking, open flames, and activities capable of producing a flammable atmosphere such as painting will not be permitted in the lock chamber.

(3) All deckhands handling lines during locking procedures shall wear a personal flotation device.

(f) *Dangerous cargo barges.* The following rules are prescribed for all tows containing dangerous cargoes as defined in Title 46, Code of Federal Regulations. These rules are applicable to both loaded barges and empty barges.

(1) All hatches on barges used to transport dangerous cargoes shall be closed before the tow enters the lock area.

(2) Prior to entering the lock area, towboat pilots shall furnish the name of product, the source of shipment, the company which made the shipment, and the consignee. If a towboat is not equipped with a radio or its radio is out of service, pilots shall furnish this information to the lockmaster while the tow is in the lock chamber. The shipping papers required by Title 46, Code of Federal Regulations, shall be available for review by the lockmaster. Lockage shall be refused when this information is not furnished to the lockmaster.

(3) Fenders shall be water-soaked or otherwise spark proofed.

(4) Smoking, open flames, chipping, or other spark producing activity are prohibited in the "lock area."

(5) Simultaneous lockage of other vessels with vessels carrying dangerous cargoes or containing flammable vapors shall normally not be permitted, if significant delays are occurring at a lock, such simultaneous lockages, except with pleasure craft, may be permitted by the lockmaster, when he/she determines such action safe and appropriate, provided:

(i) The first vessel entering or the last vessel exiting shall be secured before the other enters or leaves.

(ii) All masters involved have agreed to the joint use of the lock.

(g) *General locking procedures.* (1) In case two or more boats or tows are to enter for the same lockage, their order of entry and exit shall be determined by the lockmaster.

(2) Tows entering a lock shall come to a complete stop at a point designated by the district engineer before proceeding to the mooring position.

(3) When entering or exiting locks, tow speeds shall not exceed 200 feet per minute (rate of slow walk) or the rate of travel whereby the tow can be stopped by checking should mechanical difficulties develop. When navigating over Norrell Dam during high water, vessels shall reduce speed to the minimum necessary to maintain steerageway. Pilots should check with the individual lockmasters concerning prevailing conditions. It is also recommended that pilots check their ability to reverse their engines prior to beginning an approach. Towboat engines shall not be turned off in the lock unless authorized by lockmaster.

(4) The sides and ends of all vessels passing through any lock shall be free from protrusions of any kind which might damage the lock structure.

(5) All vessels shall be provided with suitable fenders. When entering and exiting locks, one deckhand, or more if the lockmaster so directs, shall be stationed at the bow and stern of tows. These deckhands shall maintain their stations while tows are moving adjacent to any part of a lock. They shall protect the lock walls by the use of hand-held fenders. In all cases, two deckhands shall be stationed at the bows of tows 100 feet wide or wider when entering locks. They shall remain at their stations until the bows of such tows pass the recessed miter gates.

(6) Masters and pilots must use every precaution to prevent unnecessary delay in entering or leaving locks. Vessels

failing to enter locks with reasonable promptness when signaled to do so shall lose their turn. Rearranging or switching of barges in the locks or in approaches is prohibited unless approved or directed by the lockmaster.

(7) No vessel shall enter a lock unless its draft is at least two feet less than the least depth of water over the sills. Information concerning controlling depth over sills can be obtained from the lockmaster at each lock or by inquiry at the office of the district engineer of the district in which the lock is located.

(8) Vessels awaiting their turn to lock shall be positioned so that they will not interfere with vessels leaving the lock. However, to the extent practicable under the prevailing conditions, vessels and tows shall be positioned so as to minimize approach time.

(9) *Number of lockages.* (i) Tows or rafts locking in sections will generally be allowed only two consecutive lockages if other vessels are waiting lockage, but may be allowed more in special cases. No part of a tow shall pass a lock until the whole of the one preceding it shall have passed. The lockmaster may prescribe a departure from the normal order of precedence to achieve the best lock utilization.

(ii) One deckhand, or more if the lockmaster so directs, shall tend the lines at the bow and stern of each section of a tow that transits a lock or moors to the river walls.

(10) Vessels shall enter and leave locks under such control as to prevent any damage to the walls and gates.

(11) Placing or discharging refuse of any description into the lock, on the lock walls, on the esplanade, or on any other government property is prohibited.

(h) *Lockage of pleasure craft.* In order to fully utilize the capacity of the lock, lockmasters may expedite the lockage of pleasure craft by locking them through with commercial vessels, except vessels carrying volatile cargoes or other substances likely to emit toxic, flammable, or explosive vapors. If the lockage of pleasure craft cannot be accomplished within the time required for three single lockages, a separate lockage of pleasure craft shall be made. Pleasure craft operators are advised that the locks have a pull chain located at the end of each river wall which signals the lockmaster that lockage is desired.

(i) *Locking rafts and floating dredge discharge line.* While awaiting lockage, rafts and tows containing floating dredge discharge line shall not obstruct the lock approaches. They shall be properly and securely assembled to assure adequate control while entering and exiting locks. The passage of loose

logs through a lock is prohibited.

Lockage will be refused to rafts unless the logs float sufficiently high to make it evident that the raft will not sink.

(j) *Mooring.*—(1) *At locks.* (i) When in the locks, all vessels shall be moored as directed by the lockmaster. Vessels shall be moored with bow and stern lines leading in opposite directions to prevent the vessel from "running" in the lock. All vessels will have one additional line available on the head of the tow for emergency use. The pilot of a vessel shall remain at his station in the pilot house and the deckhands shall stand by the mooring lines during the entire locking procedure. When the vessel is securely moored, the pilot shall not cause movement of the propeller except in an emergency or unless directed by the lockmaster. Tying to lock ladders is strictly prohibited.

(ii) Mooring of any vessel will not be permitted at or between the arrival points without permission of the lockmaster.

(2) *Outside of locks.* (i) Vessels over 40 feet in length shall not land or anchor against revetted banks without written permission of the district engineer, except in case of emergency. When an emergency landing is necessary, adjacent locks shall be notified. In all cases, every precaution to avoid damage to the revetment works shall be exercised. The construction of log rafts along matted or paved banks or the tying up and landing of log rafts against such banks require the permission of the district engineer.

(ii) Government mooring facilities at the junction of main stem and secondary channels are to provide temporary mooring for tows awaiting transfer of barges to or from ports, docks, or fleeting areas located on the secondary channels. These facilities shall not be used for storage of barges or fleeting activities. The maximum permissible time of mooring at the facilities shall be determined by the district engineer.

(k) *Locking signals.* Vessels must approach the locks with caution and not enter or leave the locks until signaled to do so by the lockmaster.

(1) *Signal by radio.* Requests for lockage by radio will be the primary signal for vessels equipped with VHF-FM radios operating in the FCC authorized Maritime Band. District engineers will advise all known interested parties of the channels available for use in communicating with the locks. Pilots of commercial tows should contact the locks at least one-half hour before arrival in order that they may be informed of current river and traffic conditions that may affect the safe passage of their tows.

(2) *Sound signals.* In addition to radio communication, the following sound signals are prescribed for use during lockage. Sound signals given by vessels and locks shall be given by means of a horn. The term prolonged blast means a blast of from four to six second's duration. The term short blast means a blast of about one second's duration.

(i) Vessels desiring a single lockage shall give notice to the lockmaster by one prolonged blast of the horn followed by one short blast. If a double lockage is required, vessels shall give one prolonged blast of the horn followed by two short blasts. These signals are not required from pleasure craft not equipped with horns. Locking procedures for pleasure craft are prescribed in paragraph (h).

(ii) When the lock is ready for entrance, the lockmaster shall give one prolonged blast of the horn to signal permission to enter the lock chamber.

(iii) The lockmaster shall give permission to leave the lock chamber by one short blast of the horn.

(iv) Five or more short and rapid blasts of the lock horn will be used as a means of attracting attention, to indicate caution, or to signal danger. This signal will be used to attract the attention of the masters and crews of vessels using the lock or navigating in the lock area and to indicate that something unusual involving danger or requiring special caution is happening or is about to happen. When this signal is given by the lockmaster, the masters and crews of vessels in the vicinity shall immediately become alert to determine the reason for the signal and shall take the necessary steps to cope with the situation.

(3) *Visual signals.* Signal lights are displayed outside each lock gate to supplement the radio and sound signals. Vessels will be governed as follows:

(i) One flashing green light to indicate that the lock is open to approaching navigation.

(ii) One flashing red light to indicate that the lock is not open to approaching navigation. Vessels shall stand clear.

(iii) Flashing amber and green lights to indicate that one or both lock gates can not be fully recessed or other unusual conditions exist. Vessels can enter the lock with caution.

(iv) In the absence of any of the above visual signals, pilots shall signal for lockage by radio or horn and wait for the lockmaster to acknowledge their signal.

(l) *Navigation lights on locks and dams.* (1) The following navigation lights will be displayed at all locks except Norrell Lock and Lock No. 2 during hours of darkness and heavy fog.

(i) Three green lights visible through an arc of 360 degrees arranged in a vertical line on the end of the upstream river wall.

(ii) Two green lights visible through an arc of 360 degrees arranged in a vertical line on the end of the downstream river wall.

(iii) A single red light visible through an arc of 360 degrees on the ends of the upstream and downstream land walls.

(2) The following navigation lights will be displayed at Lock No. 2 during hours of darkness and heavy fog. They shall also be displayed at Norrell Lock during hours of darkness and heavy fog except when navigation is passing over the dam.

(i) Three green lights visible through an arc of 360 degrees arranged in a vertical line on the end of the upstream river wall.

(ii) Two green lights visible through an arc of 360 degrees arranged in a vertical line on the end of the downstream river wall.

(iii) A single red light visible through an arc of 360 degrees on the dolphin located furthest upstream in line with the land wall and on the dolphin located furthest downstream in line with the land wall.

(3) The following navigation lights will be displayed at Norrell Lock and Dam during hours of darkness and heavy fog when navigation is passing over the dam. During daylight hours a yellow and black disc will be displayed on each end (upstream and downstream) of the river wall to signal navigation over the dam.

(i) Three red lights visible through an arc of 360 degrees arranged in a vertical line on the end of the upstream river wall.

(ii) Two red lights visible through an arc of 360 degrees arranged in a vertical line on the end of the downstream river wall.

(iii) A single red light visible through an arc of 360 degrees on the dolphin located furthest upstream in line with the land wall and on the dolphin located furthest downstream in line with the land wall.

(iv) A single, flashing blue light visible through an arc of 360 degrees located on the end of the dam opposite the lock.

(m) *Restricted areas at locks and dams.* All waters immediately above and below each dam, as posted by the respective district engineers, are hereby designated as restricted areas. No vessel or other floating craft shall enter any such restricted area without permission of the lockmaster. The limits of the restricted areas at each dam will be determined by the responsible district engineer and marked by signs installed

in conspicuous and appropriate locations.

(n) *Trespass on lock and dam property.*

(1) Trespass on locks or dams or other United States property pertaining to the locks or dams is strictly prohibited except in those areas specifically permitted by the lockmaster. Any person committing a willful injury to any United States property or personnel will be prosecuted.

(2) No fishing will be permitted from the lock or dam structures.

(3) No one but employees of the United States shall move any lock machinery unless directed by the lockmaster. Tampering or meddling with the machinery or other parts of the lock is strictly forbidden.

(o) *Repair and construction of navigation structures.* To avoid damage to plant and structures connected with the construction or repair of locks and dams, vessels passing structures in the process of construction or repair shall reduce their speed and navigate with special caution while in the vicinity of such work.

(p) *Reporting the navigation incidents.* In furtherance of maintaining navigation safety the following rules are prescribed for all navigation interests:

(1) Any incident resulting in uncontrolled barges shall immediately be reported to the nearest lock and the appropriate U.S. Coast Guard Office. The report shall include information as to the number of loose barges, their cargo, and the time and location where they broke loose. The lockmaster shall be kept informed of the progress being made in bringing the barges under control so that he/she can initiate whatever actions may be warranted.

(2) Masters, owners, or other persons using the waterways to which the regulations in this section apply shall report to the nearest lockmaster or the district engineer by the most expeditious means available all marine accidents; such as fire, collision, sinking, or grounding, where there is possible obstruction of the channel or interference with navigation; furnishing a clear statement as to the name, address, and ownership of the vessel or vessels involved; the time and place; and the action taken. In all cases, the owner of a sunken vessel shall take immediate steps to mark the wreck properly.

(i) Sunken or sinking barges shall be reported to the nearest lock both downstream and upstream of the location in order that traffic passing those points may be advised of the hazards. The appropriate U.S. Coast Guard Office shall also be notified.

(ii) Whenever it is necessary to report an incident involving uncontrolled, sunken or sinking barges, the cargo in the barges shall be precisely identified.

(iii) The owners or masters of vessels sunk in the navigable waters of the United States shall provide the appropriate district engineer with a copy of the sunken vessel report furnished to the appropriate U.S. Coast Guard Marine Inspection Office.

(q) *Statistical information.* Masters of vessels shall furnish to the lockmaster such statistics on passengers or cargo as may be requested. Statistics must be furnished in writing and/or orally as requested by the lockmaster.

(r) *Liability for damage.* This section shall not affect the liability of the owners and operators of vessels for any damage caused by their operations. Should any Government property be damaged as the result of the operation of a vessel, the master of the vessel shall report the accident to the nearest lockmaster or the appropriate district engineer.

(s) *Persistent violation of regulations.* If the owner or operator of any vessel persistently violates the regulations of this section or any orders given in pursuance thereof, after due notice of same, lockage may be refused by the district engineer. The lockmaster may refuse lockage if deemed necessary to protect government property in the vicinity of the lock.

(t) *Vessels to carry regulations.* A copy of these regulations shall be kept at all times on board each commercial vessel engaged in navigating the waterway. Copies may be obtained from any lock or district engineer's office on request. Masters of such vessels are also required to have on board current copies of the navigation charts and applicable Notices to Navigation Interest.

Dated: August 14, 1986.

Robert K. Dawson,
Assistant Secretary of the Army (Civil Works).

[FR Doc. 86-19315 Filed 8-27-86; 8:45 am]

BILLING CODE 3710-08-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Public Health Service

42 CFR Part 60

Health Education Assistance Loan Program

AGENCY: Public Health Service, HHS.

ACTION: Final regulations.

SUMMARY: These final regulations revise existing regulations governing the Health Education Assistance Loan (HEAL) program, to incorporate amendments made to the Public Health Service Act (the Act) by Public Law (Pub. L.) 99-129, the Health Professions Training Assistance Act of 1985, enacted October 22, 1985.

EFFECTIVE DATE: These regulations are effective August 28, 1986.

FOR FURTHER INFORMATION CONTACT: Ms. Peggy Washburn, Chief, Program Development Branch, Division of Student Assistance, Bureau of Health Professions (BHP), Room 8-48, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857; telephone: 301 443-4540.

SUPPLEMENTARY INFORMATION: These regulations implement amendments made in the HEAL legislation by the Health Professions Training Assistance Act of 1985 (Pub. L. 99-129), enacted October 22, 1985. These regulations incorporate into the existing regulations those changes which are technical and ministerial in nature, to conform the regulations to the amendments made by Pub. L. 99-129.

These revisions are summarized below according to the section numbers and titles of the regulations.

Section 60.5 Who is an eligible student borrower?

Paragraph (h) has been added to state that if the student is required to present himself for and submit to registration under section 3 of the Military Selective Service Act, the student must do so to be eligible for a HEAL loan.

Section 60.6 Who is an eligible nonstudent borrower?

Paragraph (d) has been added to state that if the nonstudent is required to present himself for and submit to registration under section 3 of the Military Selective Service Act, the nonstudent must do so to be eligible for a HEAL loan.

Section 60.7 The loan application process.

Paragraphs (a)(3) and (c)(4) have been added to require that each student and nonstudent applicant certify that if required to register under section 3 of the Military Selective Service Act, he has done so.

Section 60.10 How much can be borrowed?

Paragraph (a)(2) has been revised to state that a student enrolled in a school of allied health may borrow up to

\$50,000 total HEAL program loans and up to \$12,500 per academic year.

Section 60.11 Terms of repayment.

Paragraph (a)(1) has been amended to reflect the changes made by Pub. L. 99-129 affecting the beginning of the repayment period. Borrowers who received any HEAL program loan before October 22, 1985, and who begin internships or residencies within 9 months after leaving school have no limitation on the length of these deferment periods occurring prior to the beginning of the repayment period. For borrowers who receive their first HEAL program loan on or after October 22, 1985, deferments for internships and residencies are limited to a maximum of 4 years, whether the activity occurs before or after the repayment period begins.

Paragraph (b) has been amended to reflect that any HEAL program loan made to a borrower who receives his or her first HEAL loan on or after October 22, 1985, must be repaid within 33 years of the date it was made.

Paragraph (d) has been amended to reflect that a borrower's payments to all holders of his or her HEAL loans must total the interest that accrues during the year on all the loans, unless the borrower, in the promissory note or other written agreement, agrees to make payments during any year or any repayment period in a lesser amount.

Section 60.12 Deferment.

The Secretary has amended paragraph (a)(2) to indicate that for a borrower who receives his or her first HEAL loan on or after October 22, 1985, the 4-year limit on deferments for participation in internship or residency programs includes any period that occurs prior to the onset of the repayment period.

Section 60.13 Interest.

Paragraph (a)(1) has been amended to reflect the statutory change in the interest rate calculation. Regulations in effect prior to October 22, 1985, allowed 3½ percentage points to be added to the average bond equivalent rates for 91-day Treasury bills auctioned for the previous quarter. The statutory change allows only 3 percentage points to be added.

Section 60.14 The insurance premium.

Paragraph (b) has been revised to state that the insurance premium shall not exceed the statutory maximum and that changes in the rate will be announced through a general notice in the Federal Register.

Paragraph (c) of the current regulations allows the insurance premium to be calculated per year from the date the loan is made to a date 9 months after the student borrower's anticipated date of graduation or to the end of the month preceding the month the nonstudent borrower's loan payments are expected to begin or resume. Paragraphs (c)(1) and (c)(2) have been revised to reflect that, effective July 22, 1986, the insurance premium for both students and nonstudents must be calculated as a one-time flat rate based on the principal of the loan at the time of disbursement.

Section 60.33 Making a HEAL loan.

Paragraph (e)(1)(i) has been amended to require that the HEAL program loan must be paid to a student borrower by means of a check or draft made payable jointly to the borrower and the school.

Since these regulations implement technical revisions, which are ministerial in nature, to conform HEAL regulations with amendments made by Pub. L. 99-129, the Secretary has determined pursuant to 5 U.S.C. 553 and departmental policy that it is unnecessary and impractical to follow proposed rulemaking procedures.

Regulatory Flexibility Act and Executive Order 12291

The Department believes that the resources required to implement the new requirements in these regulations are minimal in comparison to the overall resources of the lenders and the schools. Therefore, in accordance with the requirements of the Regulatory Flexibility Act of 1980, the Secretary certifies that these regulations will not have a significant economic impact on a substantial number of small entities.

The Department has also determined that this rule is not a major rule under Executive Order 12291; therefore, a regulatory impact analysis is not required. The rule will not exceed the threshold level of \$100 million established in section (b) of Executive Order 12291.

Paperwork Reduction Act of 1980

This rule does not affect the recordkeeping, reporting, or disclosure/notification requirements for the HEAL program.

List of Subjects in 42 CFR Part 60

Educational study programs, Health professions, Loan programs—education, Loan programs—health, Medical and dental schools, Reporting and recordkeeping requirements, Student aid.

Accordingly, 42 CFR Part 60 is amended as follows:

(Catalog of Federal Domestic Assistance, No. 13.108, Health Education Assistance Loan Program)

Dated: July 22, 1986.

Robert E. Windom,
Assistant Secretary for Health.

Approved: August 12, 1986.

Otis R. Bowen,
Secretary.

PART 60—HEALTH EDUCATION ASSISTANCE LOAN PROGRAM

1. The authority citation for Part 60 is revised to read as follows:

Authority: Section 215 of the Public Health Service Act, 58 Stat. 690, as amended, 63 Stat. 35 (42 U.S.C. 216); secs. 727-739 of the Public Health Service Act, 90 Stat. 2243, as amended, 93 Stat. 582, 99 Stat. 529-532 (42 U.S.C. 294-294l).

2. Section 60.5 is amended by adding a new paragraph (h) to read as follows:

§ 60.5 Who is an eligible student borrower?

(h) If required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, he must have presented himself and submitted to registration under such section.

3. Section 60.6 is amended by adding a new paragraph (d) to read as follows:

§ 60.6 Who is an eligible nonstudent borrower?

(d) If required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, he must have presented himself and submitted to registration under such section.

4. Section 60.7 is amended by adding paragraphs (a)(3) and (c)(4) to read as follows:

§ 60.7 The loan application process.

(a) * * *

(3) A student applicant must certify on the application that if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, he has presented himself and submitted to registration under such section.

(c) * * *

(4) A nonstudent applicant must certify on the application that if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, he has presented himself and

submitted to registration under such section.

5. Section 60.10 is amended by revising paragraph (a)(2) to read as follows:

§ 60.10 How much can be borrowed?

(a) * * *

(2) A student enrolled in a school of public health, pharmacy, chiropractic, or a graduate program in health administration, clinical psychology, or allied health may borrow up to \$50,000 under this part. The amount received may not exceed \$12,500 per academic year.

6. Section 60.11 is amended by revising paragraphs (a)(1), (b), and (d), to read as follows:

§ 60.11 Terms of repayment.

(a) *Commencement of repayment.* (1) The borrower's repayment period must begin the first day of the 10th month after the month he or she ceases to be a full-time student at a HEAL school. The 9-month period before the repayment period begins is popularly called the "grace period." However, if the borrower becomes an intern or resident in an accredited program within 9 full months after leaving school, then the borrower's repayment period must begin the first day of the 10th month after the month he or she ceases to be an intern or resident. For a borrower who receives his or her first HEAL loan on or after October 22, 1985, this postponement of the beginning of the repayment period for participation in an internship or residency program is limited to 4 years. If a nonstudent borrower obtains another HEAL loan during the grace period or period of internship, residency, or deferment (as defined in § 60.12), the borrower must begin to repay this loan when repayment on the borrower's other HEAL loans begins or resumes.

(b) *Length of the repayment period.* In general, a lender must allow a borrower at least 10 years, but not more than 25 years, to repay a loan calculated from the beginning of the repayment period. A borrower must fully repay a loan within 33 years from the date that the loan is made.

(1) For a HEAL borrower who received any HEAL loan prior to October 22, 1985, periods of deferment (as described in § 60.12) are not included when calculating the 10 to 25 or 33 years limitations.

(2) For a borrower who receives his or her first HEAL loan on or after October 22, 1985, periods of deferment (as

described in § 60.12) are included when calculating the 33 years limitation, but are not included when calculating the 10 to 25 years limitation.

(d) *Minimum annual payment.* During each year of repayment, a borrower's payments to all holders of his or her HEAL loans must total the interest that accrues during the year on all of the loans, unless the borrower, in the promissory note or other written agreement, agrees to make payments during any year or any repayment period in a lesser amount.

7. Section 60.12 is amended by revising paragraph (a)(2) to read as follows:

§ 60.12 Deferment.

(a) * * *

(2) Up to 4 years during which the borrower is a participant in an accredited internship or residency program, as described in § 60.11(a)(2). For a borrower who receives his or her first HEAL loan on or after October 22, 1985, this total of 4 years for an internship or residency program includes any period of postponement of the repayment period, as described in § 60.11(a)(1);

8. Section 60.13 is amended by revising paragraph (a)(1) to read as follows:

§ 60.13 Interest.

(a) * * *

(1) For all loans made on or after October 22, 1985, for each calendar quarter, the Secretary determines the maximum annual HEAL interest rate by determining the average of the bond equivalent rates reported for the 91-day U.S. Treasury bills auctioned for the preceding calendar quarter, adding 3 percentage points, and rounding that amount to the next higher one-eighth of 1 percent.

9. Section 60.14 is amended by revising paragraphs (b), (c)(1), and (c)(2) to read as follows:

§ 60.14 The insurance premium.

(b) *Rate.* The rate of the insurance premium shall not exceed the statutory maximum. The Secretary announces changes in the rate of the insurance premium through a notice published in the Federal Register.

(c) *Method of calculation.* (1) *Student borrowers.* For loans disbursed prior to July 22, 1986, the lender must calculate the insurance premium on the basis of

the number of months beginning with the month following the month in which the loan proceeds are disbursed to the student borrower and ending 9 full months after the month of the student's anticipated date of graduation. For loans disbursed on or after July 22, 1986, the insurance premium shall be calculated as a one-time flat rate on the principal of the loan at the time of disbursement.

(2) *Nonstudent borrowers.* For loans disbursed prior to July 22, 1986, the lender must calculate the insurance premium for nonstudent borrowers on the basis of the number of months beginning with the month following the month in which the loan proceeds are disbursed to the borrower and ending at the conclusion of the month preceding the month in which repayment of principal is expected to begin or resume on the borrower's previous HEAL loans. For loans disbursed on or after July 22, 1986, the insurance premium shall be calculated as a one-time flat rate on the principal of the loan at the time of disbursement.

10. Section 60.33 is amended by revising paragraph (e)(1)(i) to read as follows:

§ 60.33 Making a HEAL loan.

(e) * * *

(1) * * *

(i) To a student borrower, by means of a check or draft payable jointly to the student borrower and the HEAL school. Except where a lender is also a school, a lender must mail the check or draft to the school (to the attention of the school official named on the loan application) for delivery to the student borrower. A lender may not mail the check or draft to a school earlier than is reasonably necessary to meet the cost of education for the period for which the loan is made.

[FR Doc. 86-19368 Filed 8-27-86; 8:45 am]
BILLING CODE 4160-15-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 97

[PR Docket No. 85-196; FCC 86-343]

Amateur Radio Service; Amendment of the Amateur Rules to Permit Volunteer Examiner Coordinators (VEC's) to Maintain Question Pools for Amateur Operator Examinations

AGENCY: Federal Communications Commission.

ACTION: Final rules.

SUMMARY: The amended rules permit VEC's to maintain the question pools for amateur operator examinations and allow volunteer examiners (VE's) to prepare examination question sets now rather than beginning that function on January 1, 1987. The rules are necessary so that the Commission will be relieved of the task of maintaining the question pools. The effect of the rule amendments is to transfer additional functions of the amateur volunteer system to private sector volunteers.

EFFECTIVE DATE: These regulations contain information collection and reporting requirements. Therefore, they will not be made effective until notice of approval is received from the Office of Management and Budget. FCC will publish a notice of effective date when approval is received.

ADDRESS: Federal Communications Commission, 1919 M Street, NW., Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Maurice J. DePont, Federal Communications Commission, Private Radio Bureau, Washington, DC 20554, (202) 632-4964.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order, adopted August 4, 1986, and released August 8, 1986. The complete text of this Commission decision including the rule amendments is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision including the rule amendments may also be purchased from the Commission's copy contractor, International Transcription Services, Inc., (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Summary of Report and Order

1. The responsibility for question pools for amateur operator written examinations has been transferred from the FCC to Volunteer Examiner Coordinators (VEC's) in the Volunteer Examination System. The Commission found that the VEC's are capable of maintaining the question pools and that question standardization could be achieved through VEC forums, spelling out the standards in the rules and using the basic question pools provided by the FCC.

PR Bulletin 1035, *Study Guide for FCC Amateur Radio Operator License Examinations*, has been eliminated since candidates are now using other study guides. Also eliminated are PR

Bulletins 1035 A, B, C, and D which contain the examination questions.

The topics that must be mastered in order to pass the examinations for the various classes of licenses, the telegraphy speeds required, the scope of the written exam for each examination element and the number of questions for each examination element are contained in the amendments to the Amateur Rules.

The amended rules also provide that neither the same question set nor the same telegraphy message may be readministered to the same person. Finally, the amended rules provide that VE's may begin now to prepare, from the question pools provided by their VEC, question sets that they administer to candidates.

The amended rules are set forth at the end of this document.

2. Pursuant to the Regulatory Flexibility Act of 1980, 5 U.S.C. 605, it is certified that the amended rules will not have a significant impact on a substantial number of small entities because such entities may not use the Amateur Radio Service for commercial radio communication. See 47 CFR 97.3(b).

3. The rule amendments contained herein have been analyzed with respect to the Paperwork Reduction Act of 1980 and found to impose a new information collection and record keeping requirement on the VEC's. Implementation of the new requirement will be subject to approval of the Office of Management and Budget as prescribed by that Act.

4. This Report and Order and these rule amendments are issued under the authority of 47 U.S.C. 154(i) and 303(r). The authority citation for Part 97 continues to read as follows: 48 Stat. 1066, 1082, as amended; 47 U.S.C. 154, 303. Interpret or apply 48 Stat. 1064-1068, 1081-1105, as amended; 47 U.S.C. 151-155, 301-609, unless otherwise noted.

5. A copy of this Report and Order will be served on the Chief Counsel for Advocacy of the Small Business Administration.

6. It is ordered that Part 97 is amended as shown at the end of this document. It is further ordered that these rule amendments shall become effective after receipt of approval of OMB of the new information collection and record keeping requirement. The effective date will be announced in a future Public Notice. It is further ordered that this proceeding is terminated.

Federal Communications Commission.
William J. Tricarico,
Secretary.

List of Subjects in 47 CFR Part 97

Amateur radio, Examinations, Radio
Amended Rules

PART 97—[AMENDED]

Part 97 of Chapter I of Title 47 of the Code of Federal Regulations is amended, as follows:

1. The authority citation for Part 97 continues to read as follows:

Authority: 48 Stat. 1066, 1082, as amended; 47 U.S.C. 154, 303. Interpret or apply 48 Stat. 1064-1068, 1081-1105, as amended; 47 U.S.C. 151-155, 301-609, unless otherwise noted.

2. The heading and text of § 97.21 are revised to read, as follows:

§ 97.21 Examination elements and standards.

(a) A telegraphy examination shall be such as to prove that a person has the ability to send correctly by hand and to receive correctly by ear texts in the International Morse code at the speed listed for the appropriate examination element.

(1) Element 1(A): Five (5) words per minute;

(2) Element 1(B): Thirteen (13) words per minute;

(3) Element 1(C): Twenty (20) words per minute.

(b) A telegraphy examination shall consist of a prepared message containing all the letters of the alphabet, numerals 0-9, period, comma, question mark, AR, SK, BT, and DN. No telegraphy message known to the candidate shall be administered in a telegraphy receiving examination.

(c) A written examination shall be such as to prove that a person possesses the operational and technical qualifications required to perform properly the duties of an amateur radio licensee. Each written examination shall consist of a question set, as follows:

(1) Element 2: At least 20 questions concerning the privileges of Novice class licensees;

(2) Element 3: At least 50 questions concerning the additional privileges of Technician and General class licensees;

(3) Element 4(A): At least 50 questions concerning the additional privileges of Advanced class licensees;

(4) Element 4(B): At least 40 questions concerning the additional privileges of Amateur Extra class licensees.

(d) The topics and percentage of questions in each question set shall be that listed for the appropriate examination element:

Topics	Elements (percent)			
	2	3	4(A)	4(B)
(1) Federal Communications Commission's Rules for the Amateur radio service	35	18	12	20
(2) Amateur station operating procedures	5	12	2	10
(3) Radio wave propagation characteristics of amateur frequency bands	5	12	4	5
(4) Amateur radio practices	15	18	8	10
(5) Electrical principles as applied to amateur station equipment	15	8	20	15
(6) Amateur station equipment circuit components	5	6	12	10
(7) Practical circuits employed in amateur station equipment	5	4	20	10
(8) Signals and emissions transmitted by amateur stations	5	8	12	10
(9) Amateur station antennas and feed lines	10	14	10	10

3. The heading and text of § 97.27 are revised to read, as follows:

§ 97.27 Volunteer examiner examination preparation.

(a) Each examination administered for the Novice operator license shall be prepared by the administering volunteer examiner.

(b) Each examination administered for the Technician, General, Advanced or Amateur Extra operator license shall be prepared by the administering volunteer examiners according to instructions from their coordinating VEC, or obtained by the administering volunteer examiners from the coordinating VEC that accredited them. See § 97.517.

(c) Neither the same telegraphy message nor the same question set may be readministered to the same person.

(d) Each VEC and each volunteer examiner must hold telegraphy messages and question sets for current and future examinations in confidence. No examination which has been compromised shall be administered to any candidate.

4. Section 97.29(a) is revised to read, as follows:

§ 97.29 Examination grading.

(a) Each examination element shall be graded separately by the examiners. The examiners are responsible for determining the correctness of the candidate's answers.

* * * * *

5. The heading and text of § 97.517 are revised to read, as follows:

§ 97.517 Examination materials provided by a VEC.

(a) The coordinating VEC may provide telegraphy messages and question sets to the administering volunteer examiners it accredits for use in examination sessions it coordinates. See § 97.27.

(b) Each telegraphy message provided by a VEC shall be prepared by a volunteer examiner of the proper operator class, as follows:

- (1) Element 1(C): Amateur Extra class;
- (2) Element 1(B): Amateur Extra class;
- (3) Element 1(A): Amateur Extra class, Advanced class or General class.

(c) Each question on each VEC question pool and question set shall be prepared by a volunteer examiner of the proper operator class, as follows:

- (1) Elements 4(A) and 4(B): Amateur Extra class;
- (2) Element 3: Amateur Extra class and Advanced class;
- (3) Element 2: Amateur Extra class, Advanced class, General class or Technician class.

6. Section 97.521 is revised to read as follows:

§ 97.521 VEC question pools.

Each VEC must maintain a question pool for each written examination element. Each question pool must contain at least ten times the number of questions required for a single examination. See § 97.21. No question in a question set may be used for a written examination in an examination session coordinated by a VEC unless it appears on the question pool of that coordinating VEC. The question pool must be published and made available to the public prior to its use for making question sets.

[FR Doc. 86-19470 Filed 8-27-86; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 20

Migratory Bird Hunting; Early Seasons, Bag Limits and Possession of Certain Migratory Game Birds in the Contiguous United States, Alaska, Hawaii, Puerto Rico and the Virgin Islands

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final rule.

SUMMARY: This rule prescribes the hunting seasons, hours, areas, and daily bag and possession limits of mourning doves, white-winged and white-tipped doves, band-tailed pigeons, rails, woodcock, common snipe, common moorhens and purple gallinules; teal in September, in the contiguous United States; sea ducks in certain defined areas of the Atlantic Flyway; ducks in September in Florida, Iowa, Kentucky

and Tennessee; Canada geese in September in parts of Michigan; sandhill cranes in the Central Flyway and Arizona; sandhill cranes and Canada geese in southwestern Wyoming; migratory game birds in Alaska, Puerto Rico and the Virgin Islands; and extended falconry seasons during 1986-87. The taking of these migratory birds is prohibited unless hunting seasons are specifically provided. The rules will permit the hunting of these species within specified periods of time beginning as early as September 1, as has been the case in past years.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT:

Rollin D. Sparrowe, Chief, Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Department of the Interior, Room 536, Matomic Building, 1717 H Street NW., Washington, DC, telephone 202-254-3207.

SUPPLEMENTARY INFORMATION: The Migratory Bird Treaty Act of July 3, 1918, (40 Stat. 755; 16 U.S.C. 703 et seq.), as amended, authorizes and directs the Secretary of the Interior, having due regard for the zones of temperature and for the distribution, abundance, economic value, breeding habits, and times and lines of flight of migratory game birds to determine when, to what extent, and by what means such birds or any part, nest, or egg thereof may be taken, hunted, captured, killed, possessed, sold, purchased, shipped, carried, exported or transported.

On March 21, 1986, the U.S. Fish and Wildlife Service (hereinafter the Service) published for public comment in the Federal Register (51 FR 9854) a proposal to amend 50 CFR Part 20, with comment periods ending June 19, July 14, and August 25, 1986, respectively, for the 1986-87 hunting season frameworks proposed for Alaska, Hawaii, Puerto Rico and the Virgin Islands; other early seasons; and late seasons. That document dealt with the establishment of hunting seasons, hours, areas and limits for migratory game birds under §§ 20.101 through 20.107 and 20.109 of Subpart K. On June 6, 1986, the Service published in the Federal Register (51 FR 20677) a second document consisting of a supplemental proposed rulemaking dealing with both the early and late-season frameworks. On July 3, 1986, the Service published for public comment in the Federal Register (51 FR 24415) a third document consisting of a proposed rulemaking dealing specifically with frameworks for early-season migratory bird hunting regulations. On July 25, 1986, the Service published in the Federal Register (51 FR 26712) a fourth

document consisting of final frameworks for Alaska, Puerto Rico and the Virgin Islands. On August 13, 1986, the Service published a fifth document (51 FR 26946) consisting of a final rulemaking for the early-season frameworks for migratory game bird hunting regulations from which State wildlife conservation agency officials selected early-season hunting dates, hours, areas and limits for the 1986-87 season. On August 15, 1986, the Service published a sixth document in the Federal Register (51 FR 29274) consisting of a proposed rulemaking dealing specifically with frameworks for late-season migratory bird hunting regulations. The final rule described here is the seventh in a series of proposed, supplemental and final rulemaking documents for migratory game bird hunting regulations and deals specifically with amending Subpart K of 50 CFR Part 20 to set hunting seasons, hours, areas and limits for mourning doves, white-winged and white-tipped doves, band-tailed pigeons, rails, woodcock, snipe, and common moorhens and purple gallinules; September teal seasons; sea ducks in certain defined areas of the Atlantic Flyway; ducks in September in Florida, Iowa, Kentucky and Tennessee; Canada geese in September in parts of Michigan; sandhill cranes in the Central Flyway and Arizona; sandhill cranes and Canada geese in southwestern Wyoming; migratory game birds in Alaska, Puerto Rico and the Virgin Islands; and extended falconry seasons.

Nontoxic Shot Regulations

In the January 6, 1986, Federal Register (51 FR 409), the Service published a proposed rule describing areas in which lead shot would be prohibited for waterfowl and coot hunting in the 1986-87 hunting season. Appendix O of the recently published Final Supplemental Environmental Impact Statement on the Use of Lead Shot for Hunting Migratory Birds in the United States contains a preliminary final rule addressing the 1986-87 nontoxic shot zones. The final rule describing areas where nontoxic shot is required will be published in the Federal Register when the Record of Decision on the Final Supplemental Environmental Impact has been signed. It is anticipated this will occur in mid-August.

Waterfowl hunters are advised to become familiar with State and local regulations regarding the use of nontoxic shot for waterfowl hunting. Attention is also directed to the January 6 and June 27, 1986, Federal Register (51 FR 409 and 23444) which gave notice if States do not approve nontoxic shot zones when

current Service guidelines and criteria indicate such zones are necessary to protect migratory birds, the Secretary of Interior, acting through the Service, will not open those areas to waterfowl and coot hunting.

NEPA Consideration

The "Final Environmental Statement for the Issuance of Annual Regulations Permitting the Sport Hunting of Migratory Birds (FES-75-74)" was filed with the Council on Environmental Quality on June 6, 1975, and notice of availability was published in the Federal Register on June 13, 1975 (40 FR 24241). In addition, several environmental assessments have been prepared on specific matters which serve to supplement the material in the Final Environmental Statement. Copies of the environmental assessments are available from the Service.

Endangered Species Act Consideration

Section 7 of the Endangered Species Act provides that, "The Secretary shall review other programs administered by him and utilize such programs in furtherance of the purposes of this Act" [and] "shall insure that any action authorized, funded or carried out . . . is not likely to jeopardize the continued existence of any endangered or threatened species or result in the destruction or adverse modification of habitat of such species . . . which is determined to be critical."

Subsequently, the Service initiated Section 7 consultation under the Endangered Species Act for the proposed hunting season frameworks.

On June 23, 1986, the Chief, Office of Endangered Species, gave a biological opinion that the proposed action is not likely to jeopardize the continued existence of listed species or result in the destruction or adverse modification of their critical habitats.

As in the past, hunting regulations this year are designed, among other things, to remove or alleviate chances of conflict between seasons for migratory game birds and the protection and conservation of endangered and threatened species.

The Service's biological opinion resulting from its consultation under section 7 is considered a public document and is available for inspection in the Office of Endangered Species and the Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Department of the Interior, Washington, DC 20240

Regulatory Flexibility Act and Executive Order 12291 and the Paperwork Reduction Act

In the **Federal Register** dated March 21, 1986 (at 51 FR 9859), the Service reported measures it had undertaken to comply with requirements of the Regulatory Flexibility Act and the Executive Order. These included preparing a Determination of Effects and an updated Final Regulatory Impact Analysis, and publication of a summary of the latter. These regulations have been determined to be major under Executive Order 12291 and they have a significant economic impact on substantial numbers of small entities under the Regulatory Flexibility Act. This determination is detailed in the aforementioned documents which are available upon request from the Office of Migratory Bird Management, U.S. Fish and Wildlife Service, Department of the Interior, Washington, DC 20240. These regulations contain no information collections subject to Office of Management and Budget under the Paperwork Reduction Act of 1980.

Authorship

The primary author of this rule is Morton M. Smith, Office of Migratory Bird Management, working under the direction of Rollin D. Sparrowe, Chief.

Memorandum of Law

The Service published its Memorandum of Law, required by section 4 of Executive Order 12291, in the **Federal Register** dated July 25, 1986 (at 51 FR 26714).

Regulations Promulgation

After analysis of migratory game bird survey data obtained through investigations conducted by the Service, State conservation agencies, and other sources, and consideration of all comments received on the early proposals (51 FR 9854, March 21, 1986; 51 FR 20677, June 6, 1986; and 51 FR 24415, July 3, 1986), the Service published in the **Federal Register** on July 25, 1986 (51 FR 26712), final early-season frameworks for Alaska, Puerto Rico, and the Virgin Islands; and on August 25, 1986 (51 FR 26712), those for the contiguous United States and Hawaii. Copies of the final frameworks were sent to the officials of the State conservation agencies and to conservation agency officials in Puerto Rico and the Virgin Islands who were invited to submit recommendations for hunting seasons which complied with the season times and lengths, hours, areas and limits specified in the frameworks.

The taking of the designated species of migratory birds is prohibited unless open hunting seasons are specifically provided. The following amendments will permit taking of the designated species within specified time periods beginning as early as September 1, as has been the case in past years, and benefit the public by relieving existing restrictions.

The rulemaking process for migratory game bird hunting must, by its nature, operate under severe time constraints. However, the Service intends that the public be given the greatest possible opportunity to comment on the regulations. Thus, when proposed rulemakings were published on March 21, June 6, and July 3, 1986, the Service established what it believed were the longest periods possible for public comment. In doing this the Service recognized that when the comment period closed, time would be of the essence. That is, if there were a delay in the effective date of these regulations after this final rulemaking, the States would have insufficient time to select their season dates, shooting hours, hunting areas and limits; to communicate those selections to the Service; and to establish and publicize the necessary regulations and procedures to implement their decisions. The Service therefore finds that "good cause" exists, within the terms of 5 U.S.C. 553(d)(3) (Administrative Procedure Act), and these regulations will, therefore, take effect immediately upon publication.

Accordingly, with each State conservation agency having had an opportunity to participate in selecting the hunting seasons desired for its State on those species of migratory birds for which open seasons are now to be prescribed, and consideration having been given to all other relevant matters presented, certain sections of Title 50, Chapter I, Subchapter B, Part 20, Subpart K, are amended as set forth below.

List of Subjects in 50 CFR Part 20

Exports, Hunting imports, Transportation, Wildlife.

PART 20—[AMENDED]

For these reasons set out in the preamble, Title 50, Chapter I, Subchapter B, Part 20, Subpart K, is amended as set forth below.

1. The authority citation for Part 20 is revised to read as follows, and the authority citations following the sections in Part 20 are removed.

Authority: Migratory Bird Treaty Act, sec. 3, Pub. L. 65-186, 40 Stat. 755 (16 U.S.C. 701-

708h); sec. 3(h), Pub. L. 95-616, 92 Stat. 3112 (16 U.S.C. 712); Alaska Game Act of 1925, 43 Stat. 739, as amended, 54 Stat. 1103-04.

(Editorial Note.—The following annual hunting regulations will not appear in the Code of Federal Regulations because of their seasonal nature)

2. Section 20.101 is revised to read as follows:

§ 20.101 Seasons, limits and shooting hours for Puerto Rico and the Virgin Islands.

1. Subject to the applicable provisions of the preceding sections of this part, the open seasons (dates inclusive), the shooting and hawking hours, and the daily bag and possession limits, and areas for hunting the species designated in this section are prescribed as follows:

(a) Puerto Rico.

	Doves	Pigeons
Daily bag limit....	10 singly or in the aggregate of all permitted species.	5
Possession limit....	10 singly or in the aggregate of all permitted species.	5
Season dates.... (1)		(1)
Shooting hours.... (2)		(2)

¹ September 6 to November 3, 1986.

² One-half hour before sunrise to sunset daily.

Restrictions: Only the following species of doves and pigeons may be hunted during the open season: Zenaida dove (*Tortola cardosantana*); white-winged dove (*Tortola aliblanca cubanita*); mourning dove (*Tortola rabilaria o rabiche*); and scaly-naped pigeon (*Paloma turca o torcaz*).

Closed Areas

No season is prescribed for doves and pigeons on Mona Island in order to protect the reduced population of white-crowned pigeon (*Columba leucocephala*), known locally as "Paloma cabeciblanca."

No season is prescribed for doves and pigeons in the Municipality of Culebra and on Desecheo Island.

No season is prescribed in the El Verde Closure Area consisting of those areas of the municipalities of Rio Grande and Loiza delineated as follows:

(1) All lands between Routes 956 on the west and 186 on the east, from Route 3 on the north to the juncture of Routes 956 and 186 (Km 13.2) in the south; (2) All lands between Routes 186 and 966 from the juncture of 186 and 966 on the north, to the Caribbean National Forest Boundary on the south; (3) All lands lying west of Route 186 for one (1) kilometer from the juncture of Routes 186 and 956 south to Km 6 on Route 186; (4) All lands within Km 14 and Km 6 on the west and the Caribbean National

Forest Boundary on the east; and (5) All lands within the Caribbean National Forest Boundary whether private or public.

No season is prescribed for doves and pigeons of any species in all of Cidra Municipality and in portions of Aguas Buenas, Caguas, Cayey, and Comerio Municipalities as encompassed within the following boundary: beginning on Highway 172 as it leaves the Municipality of Cidra on the west edge, north to Highway 156, east on Highway 156 to Highway 1, south on Highway 1 to Highway 765, south on Highway 765 to Highway 763, south on Highway 763 to the Rio Guavata, west along the Rio Guavata to Highway 1, southwest on Highway 1 to Highway 14, west on Highway 14 to Highway 729, north on Highway 729 to Cidra Municipality, and westerly, northerly, and easterly along the Cidra Municipality boundary to the point of beginning.

CHECK COMMONWEALTH REGULATIONS FOR ADDITIONAL RESTRICTIONS.

(b) Puerto Rico.

	Ducks	Coots	Common Moor-hens (Gallinules)	Common Snipe
Daily bag limits	4	Closed	6	6
Possession limits	6	Closed	12	12
Season dates	(1)	(1)	(1)	(1)
Shooting hours	(2)	(2)	(2)	(2)

¹ November 6 to December 6, 1986 and January 31 to February 23, 1987.

² One-half hour before sunrise until sunset daily.

Restrictions: No season is prescribed for waterfowl in the Municipality of Culebra and on Desecheo Island. The season is closed on the ruddy duck (*Oxyura jamaicensis*); White-cheeked pintail (*Anas bahamensis*); West Indian whistling (tree) duck (*Dendrocygna arborea*); fulvous whistling (tree) duck (*Dendrocygna bicolor*); masked duck (*Oxyura dominica*); and purple gallinule (*Porphyrio martinica*).

CHECK COMMONWEALTH REGULATIONS FOR ADDITIONAL RESTRICTIONS.

Note.—Local names for game birds: Ruddy duck (*Oxyura jamaicensis*) Pato rojo (protected); purple gallinule (*Porphyrio martinica*)—Callareta azul (protected); and Puerto Rican plain pigeon (*Columba inornata weimorei*)—Paloma sabanera (protected).

(c) Virgin Islands.

	Zenaida Dove	Scaly-naped Pigeon	Ducks
Daily bag limits	10	5	4
Possession limits	10	5	4

	Zenaida Dove	Scaly-naped Pigeon	Ducks
Season dates:			
Zenaida dove and scaly-naped pigeon	(1)	(1)	(1)
Ducks only	(2)	(2)	(2)
Shooting hours	(2)	(2)	(2)

¹ September 1 through October 30, 1986.

² December 1, 1986, through January 24, 1987.

³ One half-hour before sunrise until sunset daily.

Restrictions: No open season is prescribed for ground or quail doves, or other pigeons in the Virgin Islands. The season is closed on the ruddy duck (*Oxyura jamaicensis*); White-cheeked pintail (*Anas bahamensis*); West Indian whistling (tree) duck (*Dendrocygna arborea*); fulvous whistling (tree) duck (*Dendrocygna bicolor*); masked duck (*Oxyura dominica*); and purple gallinule (*Porphyrio martinica*).

CHECK COMMONWEALTH REGULATIONS FOR ADDITIONAL RESTRICTIONS.

Note.—Local names for game birds: Zenaida dove (*Zenaida aurita*)—mountain

Open Seasons—Ducks, Geese, Cranes and Common Snipe

Area	State Game Mgmt. Units	Season
Northern	Units 11-13 and 17-26	Sept. 1 to Dec. 16
Gulf Coast	Units 5-7, 9, 14-16, and Unimak Island	Sept. 1 to Dec. 16
Southeast	Units 1-4	Sept. 1 to Dec. 16
Pribilof and Aleutian Islands	Unit 10 except Unimak Island	Oct. 8 to Jan. 22
Kodiak	Unit 8	Oct. 8 to Jan. 22

Daily Bag and Possession Limits

Area	Ducks (1)	Geese (2)	Emperor geese	Brant	Common snipe	Sandhill cranes
Northern	10-30	6-12	Closed	2-4	8-16	(1)
Gulf Coast	8-24	6-12	Closed	2-4	8-16	2-4
Southeast	7-21	6-12	Closed	2-4	8-16	2-4
Pribilof and Aleutian Islands	7-21	6-12	Closed	2-4	8-16	2-4
Kodiak	7-21	6-12	Closed	2-4	8-16	2-4

¹ 2-4 in unit 17; 3-6 in units 11-13 and 18-26.

(1) In Units 1-26 (Statewide) the basic daily bag and possession limit may include not more than 3 and 9 pintails, respectively. In addition to the basic daily bag and possession limits, a daily bag limit of 15 and a possession limit of 30 is permitted singly or in the aggregate of the following species: scoter, eider, oldsquaw, harlequin, and American and red-breasted mergansers.

(2) No more than 4 daily, or 8 in possession may be any combination of Canada and/or white-fronted geese, provided that: in Units 1-9 and 14-18, no more than 2 daily, or 4 in possession, may be white-fronted geese. In Units 5 and 6, the taking of Canada geese is only permitted September 21 through December 16. In Units 8, 9(E), 10 (except Unimak Island) and 18, the taking of Canada geese is prohibited. In Unit 1(C), the taking of snow geese is prohibited.

dove; bridled quail dove (*Geotrygon mystacea*)—Barbary dove, partridge (protected); ground dove (*Columbina passerina*)—stone dove, tobacco dove, rola, tortolita (protected); and scaly-naped pigeon (*Columba squamosa*)—red-necked pigeon, scaled pigeon.

3. Section 20.102 is revised to read as follows:

§ 20.102 Seasons, limits, and shooting hours for Alaska.

Subject to the applicable provisions of the preceding sections of this part, the areas open to hunting, the respective open seasons (dates inclusive), the shooting and hawking hours, and the daily bag and possession limits on the species designated in this section are prescribed as follows:

Shooting and hawking hours: One-half hour before sunrise to sunset daily.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS, INCLUDING AREA DESCRIPTIONS.

In Units 1-26 (Statewide) the taking of Aleutian and cackling Canada geese and emperor geese is prohibited.

4. Section 20.103 is revised to read as follows:

§ 20.103 Seasons, limits, and shooting hours for mourning and white-winged doves and wild pigeons.

Subject to the applicable provisions of the preceding sections of this part, the areas open to hunting, the respective open seasons (dates inclusive), the shooting and hawking hours and the daily bag and possession limits on the species designated in this section are prescribed as follows:

(a) Mourning Doves—Eastern Management Unit.

In all States except Alabama, Illinois and Tennessee:

Daily bag limit 12

Note.—Shooting and hawking hours: One-half hour before sunrise until sunset daily except as noted otherwise.

Seasons in:

Illinois (12 noon to sunset)	Sept. 1-Oct. 30.
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1) In Alabama the South Zone is defined as: Mobile, Baldwin, Escambia, Covington, Coffee, Geneva, Dale, Houston and Henry Counties. North Zone: remainder of the State.

(2) In Florida, the daily bag limit is 12 mourning and white-winged doves in the aggregate, of which not more than 4 may be white-winged doves. The possession limit is 24 mourning and white-winged doves in the aggregate, of which not more than 8 may be white-winged doves.

(3) In Georgia, the North Zone is defined as that area lying north of a division line as follows: U.S. Highway 280 from Columbus to Wilcox County, thence southward along the western border of Wilcox County, thence east along the southern border of Wilcox County to the Ocmulgee River, thence north along the Ocmulgee River to Highway 280, thence east along Highway 280 to the Little Ocmulgee

ary Tattnall County, north along the western border of

Note.—Shooting and hawking hours: One-half hour before sunrise until sunset daily except as noted otherwise.

Seasons in:

(1) In New Mexico, the daily bag limit is 15 and the possession limit is 30 white winged and mourning doves singly or in the aggregate of these species.

NORTH ZONE—That portion of the State north of a line beginning at the International Bridge south of Fort Hancock; north along FM 1088 to State Highway 20; west

along State Highway 20 to State Highway 148; north along State Highway 148 to Interstate Highway 10 at Fort Hancock; east along Interstate Highway 10 to Interstate Highway 20; northeast along Interstate Highway 20 to Interstate Highway 30 at Fort Worth; northeast along Interstate Highway 30 to the Texas-Arkansas State line.

SOUTH ZONE—That portion of the State south and west of a line beginning at the International Bridge south of Fort Hancock; north along FM 1088 to State Highway 20; west along State Highway 20 to State Highway 148 north along State Highway 148 to Interstate Highway 10 at Fort Hancock; east along Interstate Highway 10 at Van Horn, south and east on U.S. 90 to San Antonio; then east on Interstate 10 to Orange, Texas.

CENTRAL ZONE—That portion of the State lying between the North and South Zones.

(3) In Texas, the daily bag limit is 12 mourning, white-winged and white-tipped doves in the aggregate, of which no more than 2 can be white-winged doves and 2 can be white-tipped doves; and the possession limit is 24, of which no more than 4 may be whitewings 4 may be white-tips.

(4) In Texas, the mourning dove season in the Special White-winged Dove Area of the South Zone is Sept. 20-Nov. 14 and Jan. 3-Jan. 12.

(c) Mourning Doves—Western Management Unit.

In Washington:	
Daily bag limit.....	10
Possession limit.....	20
In Arizona:	
Daily bag limit.....	12
Possession limit.....	24
In California, Idaho, Nevada, Oregon, and Utah:	
Daily bag limit.....	15
Possession limit.....	30

Note.—Shooting and hawking hours: One-half hour before sunrise until sunset.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS, INCLUDING AREA DESCRIPTIONS.

Seasons in:

Arizona (1).....	Sept. 1–Sept. 21 and Nov. 24–Jan. 11.
California (2).....	Sept. 1–Oct. 15 and Nov. 15–Nov. 29.
Idaho.....	Sept. 1–Oct. 30.
Nevada (2).....	Sept. 1–Oct. 30.
Oregon.....	Sept. 1–Sept. 30.
Utah.....	Sept. 1–Sept. 30.
Washington.....	Sept. 1–Sept. 15.

(1) In Arizona during September 1 through 21 the daily bag limit is 12 mourning and white-winged doves in the aggregate of which no more than 6 may be white-winged doves. The possession limit after opening day is 24 mourning and white-winged doves in the aggregate of which no more than 12 may be white-winged doves. During November 24 through January 11, the bag and possession limits are 12 and 24 mourning doves, respectively.

(2) In those counties of California (Imperial, Riverside, and San Bernardino) and Nevada (Clark and Nye) having a season on white-winged doves, the daily bag limit is 15 and the possession limit is 30 mourning and white-winged doves, singly or in the aggregate of these species; however, the bag and possession limits of white-winged doves may not exceed 10 and 20, respectively.

Notice.—Hawaii.—Subject to the applicable provisions of the preceding sections of this part, mourning doves may be taken in accordance with the State regulations.

(d) White-winged Doves.

Shooting and hawking hours: One-half hour before sunrise until sunset except as noted otherwise.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS, INCLUDING AREA DESCRIPTIONS.

Seasons in	Season dates	Limits	
		Bag	Poss.
Arizona (Statewide).....	Sept. 1–Sept. 21.....	6(1)	12(1)
California:			
Counties of Imperial, Riverside, and San Bernardino.....	Sept. 1–Oct. 15 and Nov. 15–Nov. 29.....	10(2)	20(2)
Remainder of State.....	Closed.....		
Nevada:			
Counties of Clark and Nye.....	Sept. 1–Oct. 30.....	10(2)	20(2)
Remainder of State.....	Closed.....		
New Mexico.....	Sept. 1–Sept. 30 and Dec. 1–Dec. 30.....	15(3)	30(3)
Texas: (4) (5)			
Area in South Zone.....	Sept. 6, 7, 13 and 14.....		
Remainder of State.....	See Mourning Dove regulations.....		

(1) In Arizona during September 1 through 21 the daily bag limit is 12 mourning and white-winged doves in the aggregate of which no more than 6 may be white-winged doves. The possession limit after opening day is 24 mourning and white-winged doves in the aggregate of which no more than 12 may be white-winged doves.

(2) In designated counties of California and Nevada, the daily bag limit is 15 and the possession limit is 30 white-winged and mourning doves, singly or in the aggregate of both species; however, the bag and possession limits of white-winged doves may not exceed 10 and 20, respectively.

(3) In New Mexico the daily bag limit is 15 and the possession limit is 30 white-winged and mourning doves, singly or in the aggregate of both species.

(4) SPECIAL WHITE-WINGED DOVE AREA IN THE SOUTH ZONE.—That portion of State south and west of a line beginning at the International Bridge south of Fort Hancock, north along FM 1088 to State Highway 20; west along State Highway 20 to State Highway 148; north along State Highway 148 to Interstate Highway 10 at Fort Hancock; east along Interstate Highway 10 to Van Horn, south and east on U.S. Highway 90 to Uvalde, south on U.S. Highway 83 to State Highway 44; east along State Highway 44 to State Highway 16 at Freer, south along State Highway 16 to State Highway 285 at Hebbronville; east along State Highway 285 to FM 1017; southeast along FM 1017 to State Highway 186 at Linn; east along State Highway 186 to Mansfield Channel at Port Mansfield; east along the Mansfield Channel to the Gulf of Mexico.

(5) In Texas, the daily bag limit in the Special White-winged Dove Area is 10 white-winged, mourning and white-tipped doves in the aggregate of which no more than 2 may be mourning doves and 2 may be white-tipped doves. Possession limit is twice the daily bag limit.

(e) Band-tailed Pigeons.

Shooting and hawking hours: One-half hour before sunrise until sunset.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS, INCLUDING AREA DESCRIPTIONS.

Seasons in	Season dates	Limits	
		Bag	Poss.
Arizona(1).....	Oct. 10–Nov. 8.....	5	10
California:			
Counties of Alpine, Butte, Del Norte, Glen, Humboldt, Lassen, Mendocino, Modoc, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity.....	Sept. 27–Oct. 26.....	5	5
Remainder of State.....	Dec. 13–Jan. 11.....	5	5
Colorado:			
In all lands west of U.S. Interstate 25 and Small Game Management Units 80, 81, 82 and 83.....	Sept. 1–Sept. 30.....	5	10
Nevada:			
Carson City, Churchill, Douglas, Humboldt, Lyon, Mineral, Pershing, Washoe, and Storey Counties only.....	Sept. 1–Sept. 30.....	5	5
New Mexico:			
North Zone (2).....	Sept. 1–Sept. 20.....	5	10
South Zone (2).....	Oct. 1–Oct. 20.....	5	10
Oregon.....	Sept. 1–Sept. 30.....	5	5
Utah.....	Sept. 1–Sept. 30.....	5	10
Washington.....	Sept. 1–Sept. 30.....	5	5

(1) Each hunter must have for Arizona a special bird permit stamp issued by the State.

(2) In New Mexico the North Zone is defined as that area lying north and east of a line following U.S. Highway 60 from the Arizona State line east to Interstate Highway 25 at Socorro and then south along Interstate Highway 25 to the Texas State line. The South Zone is defined as that area lying south and west of the North Zone.

5. Section 20.104 is revised to read as follows:

§ 20.104 Seasons, limits, and shooting hours for rails, woodcock, and common snipe.

Subject to the applicable provisions of the preceding sections of this part, the areas open to hunting, the respective open seasons (dates inclusive), the shooting and hawking hours, and the daily bag and possession limits on the species designated in this section are as follows:

	Rails	Rails (Sora & Virginia)	Woodcock (Clapper & King)	Common Snipe
Daily bag limit.....	1 25	See footnote 2.....	5	8
Possession limit.....	1 25	See footnote 2.....	10	16

Shooting and hawking hours: One-half hour before sunrise until sunset daily on all species, except as noted otherwise.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS, INCLUDING AREA DESCRIPTIONS

Seasons in the Atlantic Flyway				
Connecticut.....	Sept. 1–Nov. 8.....	Sept. 1–Nov. 8.....	Oct. 18–Dec. 1.....	Oct. 18–Dec. 1.....
Delaware.....	Sept. 1–Nov. 9.....	Sept. 1–Nov. 9.....	Nov. 17–Dec. 31.....	Nov. 17–Jan. 31.....
Florida.....	Sept. 1–Nov. 9.....	Sept. 1–Nov. 9.....	Dec. 13–Jan. 26.....	Nov. 1–Feb. 15.....
Georgia.....	Sept. 17–Nov. 25.....	Sept. 17–Nov. 25.....	Nov. 29–Jan. 12.....	Nov. 20–Feb. 28.....
Maine.....	Sept. 1–Nov. 9.....	Closed.....	Oct. 1–Nov. 14.....	Sept. 1–Dec. 16.....
Maryland.....	Sept. 1–Nov. 8.....	Sept. 1–Nov. 8.....	Oct. 15–Nov. 28.....	Oct. 1–Jan. 15.....
Massachusetts.....	Sept. 1–Nov. 8.....	Closed.....	Deferred.....	Sept. 1–Dec. 13.....
New Hampshire.....	Closed.....	Closed.....	Oct. 1–Nov. 14.....	Oct. 1–Dec. 4.....
New Jersey: 4				
North Zone.....	Sept. 1–Nov. 8.....	Sept. 1–Nov. 8.....	Oct. 11–Nov. 14.....	Oct. 4–Jan. 17.....
South Zone.....	Sept. 1–Nov. 8.....	Sept. 1–Nov. 8.....	Nov. 8–Dec. 6 and Dec. 20–Dec. 25.....	Oct. 4–Jan. 17.....
New York: 4				
Long Island.....	Closed.....	Closed.....	Oct. 1–Nov. 14.....	Closed.....
Remainder of State.....	Sept. 1–Nov. 9.....	Closed.....	Oct. 1–Nov. 14.....	Sept. 1–Dec. 16.....
North Carolina.....	Sept. 15–Nov. 22.....	Sept. 15–Nov. 22.....	Nov. 22–Jan. 5.....	Nov. 14–Feb. 28.....
Pennsylvania.....	Sept. 1–Nov. 8.....	Closed.....	Oct. 18–Nov. 8.....	Oct. 18–Dec. 13.....

	Rails	Rails (Sora & Virginia)	Woodcock (Clapper & King)	Common Snipe
Rhode Island	Sept. 15-Nov. 23	Sept. 15-Nov. 23	Oct. 18-Dec. 1	Sept. 15-Dec. 5 and Dec. 15-Jan. 8
South Carolina	Sept. 15-Oct. 19	Sept. 15-Oct. 19 and Nov. 1-Dec. 5	Nov. 27-Jan. 10 and Nov. 1-Dec. 5	Nov. 14-Feb. 28
Vermont	Sept. 27-Dec. 5	Closed	Oct. 1-Nov. 14	Sept. 27-Dec. 5
Virginia	Sept. 8-Nov. 15	Sept. 8-Nov. 15	Nov. 3-Nov. 24 and Dec. 22-Jan. 13	Oct. 17-Jan. 31
West Virginia	Sept. 1-Nov. 8	Closed	Oct. 18-Dec. 1	Sept. 1-Dec. 16
<i>Seasons in the Mississippi Flyway</i>				
Alabama ¹	Nov. 12-Jan. 20	Nov. 12-Jan. 20	Nov. 28-Jan. 31	Nov. 14-Feb. 28
Arkansas	Sept. 1-Nov. 9	Closed	Nov. 8-Dec. 14 and Jan. 10-Feb. 6	Sept. 13-Sept. 21 and Nov. 22-Feb. 27
Illinois	Sept. 1-Nov. 9	Closed	Oct. 1-Dec. 4	Sept. 13-Dec. 28
Indiana	Sept. 1-Nov. 9	Closed	Sept. 20-Sept. 26 and Oct. 4-Nov. 30	Sept. 1-Dec. 15
Iowa ²	Sept. 6-Nov. 14	Closed	Sept. 20-Nov. 23	Sept. 6-Dec. 21
Kentucky	Deferred	Closed	Oct. 1-Dec. 4	Oct. 1-Dec. 4
Louisiana	Sept. 20-Sept. 28 and Nov. 8-Jan. 7	Sept. 20-Sept. 28 and Nov. 8-Jan. 7	Dec. 6-Feb. 8	Nov. 8-Feb. 22
Michigan ³	Sept. 15-Nov. 14	Closed	Sept. 15-Nov. 14	Sept. 15-Nov. 14
Minnesota	Sept. 1-Nov. 4	Closed	Sept. 1-Nov. 4	Sept. 1-Nov. 4
Mississippi	Oct. 18-Dec. 26	Oct. 18-Dec. 26	Dec. 26-Feb. 28	Nov. 14-Feb. 28
Missouri	Sept. 1-Nov. 9	Closed	Oct. 15-Dec. 18	Sept. 1-Dec. 16
Ohio	Sept. 1-Nov. 8	Closed	Sept. 25-Nov. 29	Sept. 1-Nov. 29 and Dec. 8-Dec. 24
Tennessee	Deferred	Closed	Oct. 11-Nov. 16 and Feb. 1-Feb. 28	Nov. 14-Feb. 28
Wisconsin	Deferred	Closed	Sept. 13-Nov. 16	Deferred
<i>Seasons in the Central Flyway</i>				
Colorado ⁴	Sept. 1-Nov. 9	Closed	Closed	Sept. 1-Dec. 1
Kansas	Sept. 13-Nov. 21	Closed	Oct. 4-Dec. 7	Sept. 13-Dec. 28
Montana ⁵	Closed	Closed	Closed	Oct. 4-Dec. 2
Nebraska ⁶	Sept. 1-Nov. 9	Closed	Sept. 15-Nov. 18	Sept. 1-Dec. 15
New Mexico ⁷	Sept. 1-Oct. 31	Closed	Closed	Sept. 1-Nov. 30
North Dakota	Closed	Closed	Closed	Oct. 4-Nov. 23
Oklahoma	Sept. 1-Nov. 9	Closed	Nov. 27-Jan. 30	Oct. 20-Feb. 3
South Dakota ⁸	Closed	Closed	Closed	Sept. 1-Oct. 31
Texas	Sept. 1-Nov. 9	Sept. 1-Nov. 9	Deferred	Deferred
Wyoming ⁹	Sept. 20-Nov. 28	Closed	Closed	Sept. 20-Jan. 4
<i>Seasons in the Pacific Flyway</i>				
Colorado ¹⁰	Sept. 1-Nov. 9	Closed	Closed	Sept. 1-Dec. 1
Montana ¹¹	Closed	Closed	Closed	Oct. 4-Jan. 4
New Mexico ¹²	Sept. 1-Oct. 31	Closed	Closed	Sept. 1-Nov. 30
Wyoming ¹³	Sept. 20-Nov. 28	Closed	Closed	Sept. 20-Dec. 21

Note: No seasons are prescribed for woodcock. Snipe seasons have been deferred by all other States in the Pacific Flyway. Consult waterfowl regulations to be published later for information concerning the snipe seasons in Montana.

¹ The bag and possession limits for sora and Virginia rails apply singly or in the aggregate of these two species.

² In addition to the limits on sora and Virginia rails, in Connecticut, Delaware, Maryland, New Jersey, and Rhode Island, there is a daily bag limit of 10 and possession limit of 20 clapper and king rails, singly or in the aggregate of these two species, except that the season is closed on king rails in New Jersey by State regulation. In Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Texas, and Virginia, there is a daily bag limit of 15 and possession limit of 30 clapper and king rails, singly or in the aggregate of these two species.

³ In States of the Atlantic Flyway, the woodcock bag limit is 3 daily and 6 in possession.

⁴ For description of zones or management units within a State, see State regulations.

⁵ In Alabama, the rail limits are 15 daily and 15 in possession.

⁶ In Iowa, the rail limits are 15 daily and 25 in possession. Shooting hours are sunrise to sunset.

⁷ See State regulations for listing of certain Great Lakes waters where the season is to be open concurrently with the duck season.

⁸ The Central Flyway portion consists of: Colorado and Wyoming—the area lying east of the Continental Divide but outside the Jicarilla Apache Indian Reservation. The remaining portions of these States are in the Pacific Flyway.

⁹ In Nebraska, the rail limits are 10 daily and 20 in possession.

¹⁰ In South Dakota, the snipe limits are 5 daily and 15 in possession.

Note: Some States may select rail, woodcock, and snipe seasons at the time they select their duck seasons in August. Consult waterfowl regulations to be published later for information concerning these seasons.

6. Section 20.105 is amended by revising paragraphs (a) through (c) and by amending paragraph (d) to read as follows:

§ 20.105 Seasons, limits, and shooting hours for waterfowl, coots, and common moorhens and purple gallinules.

Subject to the applicable provisions of the preceding sections of this part, the areas open to hunting, the respective open seasons (dates inclusive), the shooting and hawking hours, and the daily bag and possession limits on the species designated in this section are prescribed as follows:

(a) Sea Ducks.

(1) An open season for taking scoter, eider, and oldsquaw ducks is prescribed according to the following table during the period between September 15, 1986,

and January 20, 1987, in all coastal waters and all waters of rivers and streams seaward from the first upstream bridge in Maine, New Hampshire, Massachusetts, Rhode Island, and Connecticut; in those coastal waters of New York lying in Long Island and Block Island Sounds and associated bays eastward from a line running between Miamogue Point in the Town of Riverhead to Red Cedar Point in the Town of Southampton, including any ocean waters of New York lying south of Long Island; in any waters of the Atlantic Ocean and, in addition, in any tidal waters of any bay which are separated by at least one mile of open water from any shore, island, and emergent vegetation in New Jersey, South Carolina and Georgia; and in any waters of the Atlantic Ocean and/or in

any tidal waters of any bay which are separated by at least 800 yards of open water from any shore, island, and emergent vegetation in Delaware, Maryland, North Carolina, and Virginia; and provided that any such areas have been described, delineated, and designated as special duck hunting areas under the hunting regulations adopted by the respective States. In all other areas of these States and in all other States in the Atlantic Flyway, sea ducks may be taken only during the regular open season for ducks.

(2) The daily bag limit is 7 and the possession limit is 14, singly or in the aggregate of these species. During the regular duck season in the Atlantic Flyway, States may set, in addition to the regular limits, a daily bag limit of 7 and a possession limit of 14 scoter,

eider, and oldsquaw ducks, singly or in the aggregate of these species.

(3) Shooting and hawking hours are one-half hour before sunrise until sunset daily.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS.

Seasons in:

Connecticut.....	Sept. 19-Jan. 3.
Delaware.....	Sept. 20-Jan. 3.
Georgia.....	Deferred.
Maine.....	Oct. 1-Jan. 15.
Maryland.....	Deferred.
Massachusetts.....	Deferred.
New Hampshire.....	Sept. 15-Dec. 30.
New Jersey.....	Oct. 4-Jan. 17.
New York (Long Island only).....	Deferred.
North Carolina.....	Deferred.
Rhode Island.....	Deferred.
South Carolina.....	Deferred.
Virginia.....	Deferred.

(4) Notwithstanding the provisions of this Part 20, the shooting of *crippled* waterfowl from a motorboat under power will be permitted in Maine, Massachusetts, New Hampshire, Rhode Island, Connecticut, New York, Delaware, Virginia, and Maryland in those areas described, delineated, and designated in their respective hunting regulations as being open to sea duck hunting.

Note.—States with deferred seasons may select sea duck seasons at the time they select their waterfowl seasons in August. Consult waterfowl regulations to be published later for information concerning these later seasons.

(b) *Teal*. September season: An open season for teal ducks (blue-winged, green-winged, and cinnamon) is prescribed according to the following table in those areas which are described, delineated, and designated in the hunting regulations of the following States:

Daily bag limit.....	4
Possession limit.....	8

Shooting and hawking hours: Sunrise until sunset daily.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS.

Seasons in the Mississippi Flyway:

Alabama ¹	Sept. 13-Sept. 21.
Arkansas.....	Sept. 13-Sept. 21.
Illinois ²	Sept. 13-Sept. 21.
Indiana ³	Sept. 6-Sept. 14.
Louisiana.....	Sept. 20-Sept. 28.
Mississippi.....	Sept. 13-Sept. 21.
Missouri.....	Sept. 13-Sept. 21.
Ohio.....	Sept. 5-Sept. 13.

Seasons in the Central Flyway:

Colorado ⁴	Sept. 6-Sept. 14.
Kansas.....	Sept. 13-Sept. 21.
New Mexico ⁵	Sept. 6-Sept. 14.
Oklahoma.....	Sept. 6-Sept. 14.
Texas.....	Sept. 13-Sept. 21.

¹ In Alabama, shooting hours in Mobile Delta north of the causeway and south of the L&N Railroad are sunrise to 12 noon.

² In Illinois, the shooting hours are from 7 a.m.-4 p.m. local time by State regulation.

³ In Indiana, the Kankakee and LaSalle Fish and Wildlife Areas, and portions of Atterbury, Hovey Lake, Jasper-Pulaski and Pigeon River Fish and Wildlife Areas are closed to teal hunting by State regulations.

⁴ Only in Lake and Chaffee Counties, and that portion of Colorado east of U.S. Highway-Colorado State Highway 85 from the Wyoming State line to its intersection with U.S. Interstate Highway 25 to the New Mexico State line.

⁵ Central Flyway portion only.

(c) *Common Moorhens and Purple Gallinules*.

Daily bag limit.....	15 singly or in the aggregate of the two species.
Possession limit.....	30 singly or in the aggregate of the two species.

Shooting and hawking hours: One-half hour before sunrise to sunset.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS.

Seasons in the Atlantic Flyway:

Connecticut.....	Sept. 1-Nov. 8.
Delaware.....	Sept. 1-Nov. 9.
Florida ¹	Sept. 1-Nov. 9.
Georgia.....	Deferred.
Maine.....	Sept. 1-Nov. 9.
Maryland.....	Sept. 1-Nov. 8.
Massachusetts.....	Closed.
New Hampshire.....	Closed.
New Jersey ²	Sept. 1-Nov. 8.
New York:	
Long Island.....	Closed.
Remainder of State.....	Sept. 1-Nov. 9.
North Carolina.....	Sept. 15-Nov. 22.
Pennsylvania.....	Sept. 1-Nov. 8.
Rhode Island.....	Sept. 15-Nov. 23.

South Carolina.....	Sept. 15-Oct. 19 and Nov. 1-Dec. 5.
Vermont.....	Sept. 27-Dec. 5.
Virginia.....	Deferred.
West Virginia.....	Deferred.

Seasons in the Mississippi Flyway:

Alabama ³	Nov. 12-Jan. 20.
Arkansas.....	Sept. 1-Nov. 9.
Illinois.....	Closed.
Indiana.....	Sept. 1-Nov. 9.
Iowa.....	Closed.
Kentucky.....	Deferred.
Louisiana.....	Sept. 20-Sept. 28 and Nov. 8-Jan. 7.
Michigan.....	Deferred.
Minnesota.....	Deferred.
Mississippi.....	Oct. 18-Dec. 26.
Missouri.....	Closed.
Ohio.....	Sept. 1-Nov. 8.
Tennessee.....	Deferred.
Wisconsin.....	Deferred.

Seasons in the Central Flyway:

Colorado ⁴	Closed.
Kansas.....	Closed.
Montana ⁴	Closed.
Nebraska.....	Closed.
New Mexico ⁴	Oct. 13-Dec. 21.
North Dakota.....	Closed.
Oklahoma.....	Sept. 1-Nov. 9.
South Dakota.....	Closed.
Texas.....	Sept. 1-Nov. 9.
Wyoming ⁴	Closed.

Seasons in the Pacific Flyway:

All States and portions thereof.....	Deferred.
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¹ The season in Florida applies to the common moorhen only. There is no open season on the purple gallinule in Florida.

² In New Jersey, the bag limit is 10 daily and 20 in possession.

³ In Alabama, the bag limit is 15 daily and 15 in possession.

⁴ Seasons apply to Central Flyway portion of State only.

Note.—States with deferred seasons may select common moorhen and purple gallinule seasons at the time they select their waterfowl seasons in August. Consult waterfowl regulations to be published later for information concerning these later seasons.

(d) *Waterfowl and coots in Atlantic, Mississippi, Central and Pacific Flyways*.

Atlantic Flyway

Flywaywide Restrictions. Shooting (including hawking) hours: One-half hour before sunrise to sunset daily except as otherwise restricted.

* * * * *

	Season dates	Limits	
		Bag	Possession
Florida:			
Ducks, no more than 1 of which may be a species other than teal or wood duck, and the possession limit will be double the daily bag limit.	September 20-September 24.	4	8

Mississippi Flyway

Shooting (including hawking) hours:
One-half hour before sunrise to sunset
daily except as otherwise restricted.

	Season dates	Limits	
		Bag	Possession
Iowa:			
Ducks:			
North of Interstate 80.....	September 20-September 24.	(1)	(1)
South of Interstate 80.....	September 20-September 22.		
Kentucky:			
Ducks, no more than 2 of which may be wood ducks, and no more than 1 of which may be a species other than teal or wood duck, and the possession limit will be double the daily bag limit.	September 10-September 14.	4	8
Michigan: ²			
Geese, Canada.....	September 3-September 8.	2	4
Tennessee:			
Ducks, no more than 2 of which may be wood ducks, and no more than 1 of which may be a species other than teal or wood duck, and the possession limit will be double the daily bag limit.	September 13-September 17.	4	8

¹ Limits to conform to those set for the regular season.

² Check Michigan regulations for areas open to the hunting of Canada geese.

7. Section 20.106 is amended by revising the Central and Pacific Flyway to read as follows:

§ 20.106 Seasons, limits, and shooting hours for sandhill cranes.

Central Flyway: Subject to the applicable provisions of the preceding sections of this part, open seasons are prescribed for taking sandhill cranes with a daily bag limit of 3 and a possession limit of 6 cranes, and with shooting hours from one-half hour before sunrise until sunset in the following areas for the dates indicated:

(a) In Colorado (the Central Flyway portion except the San Luis Valley) the season has been deferred.

(b) In the New Mexico counties of Chaves, Curry, De Baca, Eddy, Lea, Quay, and Roosevelt, the inclusive dates for the regular season are October 25, 1986, through January 25, 1987.

(c) In Oklahoma (that portion west of I-35) the inclusive dates are October 11, 1986, through January 11, 1987.

(d) In Texas that portion west of a line from Brownsville along U.S. 77 to Victoria; U.S. 87 to Placedo; Farm Road

616 to Blessing; State 35 to Alvin; State 6 to U.S. 290; U.S. 290 to Sonora; U.S. 277 to Abilene; Texas 351 to Albany; U.S. 283 to Vernon; and U.S. 183 to the Texas-Oklahoma boundary the season has been deferred.

(e) In North Dakota, in Zone 1 (the area east of a line starting on the east shore of Lake Oahe at the South Dakota border, then north on this shore to Bismarck, then north on U.S. Highway 83 to Canada; and west of a line starting where ND No. 14 enters Canada, then south on ND No. 14 to U.S. Highway 83, then south on U.S. Highway 83 to South Dakota) the inclusive dates are September 6-October 2, 1986; in Zone 2 (that area east of Zone 1 and west of U.S. Highway 281) the inclusive dates are September 6-October 3, 1986.

(f) In Montana (the Central Flyway portion except that area south of 1-90 and west of the Bighorn River), the inclusive dates are October 4 through November 30, 1986.

(g) In South Dakota, the inclusive dates are September 27 through November 2, 1986.

(h) In Wyoming, in Campbell, Converse, Crook, Goshen, Laramie, Niobrara, Platte, and Weston Counties, the inclusive season dates are September 20 through November 16, 1986.

Each hunter participating in the regular sandhill crane hunting season must obtain and carry in his possession while hunting, a valid Federal sandhill crane hunting permit available without cost from conservation agencies in the States where crane hunting seasons are allowed. The permit must be displayed to an authorized law enforcement official upon request.

Pacific Flyway

(a) In Arizona (within Game Management Units 30A, 30B, 31, and 32), the season has been deferred.

(b) In Wyoming's sandhill crane-Canada goose hunt areas:

Bear River drainage and Star Valley Lincoln County—hunting is by State permit only with limits of 2 sandhill cranes and 3 Canada geese per season. The season dates are September 6-September 14.

Eden-Farson Agricultural Project in Sweetwater and Sublette Counties—hunting is by State permit only with limits of 3 sandhill cranes and 1 Canada goose per season. The season dates are September 1-September 3.

8. Section 20.109 is revised as follows:

§ 20.109 Extended seasons, limits, and hours for taking migratory game birds by falconry.

Subject to the applicable provisions of this part, the areas open to hunting, the respective open seasons (dates inclusive), the hawking hours, and the daily bag and possession limits on the species designated in this section are prescribed as follows:

Daily bag limit.....3 singly or in the aggregate.
Possession limit....6 singly or in the aggregate.

These limits apply during both regular hunting seasons and extended falconry seasons. Hawking hours: One-half hour before sunrise until sunset daily.

CHECK STATE REGULATIONS FOR ADDITIONAL RESTRICTIONS.

ATLANTIC FLYWAY	
Florida:	
Mourning doves and white-winged doves.....	September 27-December 5.
Woodcock.....	October 25-December 8.
Snipe.....	November 1-February 15.
Ducks, mergansers, and coots.....	October 7-November 21.
Common moorhens and rails.....	September 27-December 5.

Maryland:					
Mourning doves.....	September 1-October 25 and November 15-January 5.		Common moorhens and purple gallinules.	October 16-January 18.	
Rails.....	September 1-December 16.		Canada and white-fronted geese	October 16-January 18.	
Woodcock.....	October 15-January 29.		Snow, blue, and Ross' geese	November 1-January 11 and January 24-February 27.	
Snipe.....	October 1-January 15.		Oklahoma:		
Common moorhens and purple gallinules.	September 1-December 16.		Ducks, mergansers and coots	October 11-January 16.	
Ducks, coots, geese	Deferred.		Texas:		
Pennsylvania:			Mourning doves (statewide)	September 1-November 30 and January 3-January 18.	
Mourning doves	September 1-December 13.		Rails, common moorhens and purple gallinules.	September 1-December 16.	
Virginia:			White-winged doves	September 1-November 30 and January 3-January 18.	
Woodcock and snipe	October 17-January 31.		Wyoming:		
Mourning doves and rails	September 1-November 30 and December 19-January 3.		Mourning doves	September 1-October 15.	
MISSISSIPPI FLYWAY			Snipe and rails	September 20-November 28.	
Illinois:			PACIFIC FLYWAY		
Mourning doves, woodcock and rails.	September 1-December 16.		Idaho:		
Snipe.....	September 13-December 30.		Ducks.....	October 4-January 11.	
Teal.....	September 13-September 21.		Coots, mergansers and snipe	October 4-January 11.	
Ducks, mergansers, and coots	October 4-January 9.		Geese	Deferred.	
Indiana:			Montana:		
Woodcock.....	September 1-September 19.		Mourning doves.....	September 1-October 12.	
Mourning doves.....	October 27-November 26.		New Mexico:		
Iowa:			Mourning doves and white-winged doves.	September 1-November 6 and November 22-December 30.	
Geese.....	October 4-January 7.		Band-tailed pigeons.....	September 1-November 30.	
Ducks.....	September 20-September 30 and October 4-January 7.		Ducks, mergansers and coots	October 7-January 11.	
Michigan:			Geese.....	October 5-January 19.	
Snipe and rails	September 1-December 16.		Common moorhens and purple gallinules.	October 7-January 11.	
Common moorhens, purple gallinules and geese.	September 1-December 16.		Oregon:		
Ducks and coots	October 4-January 18.		Mourning doves and band-tailed pigeons.	September 1-December 16.	
Geese.....	October 4-January 18.		Wyoming:		
Minnesota:			Mourning doves.....	September 1-October 15.	
Woodcock, snipe, and rails	September 1-December 16.		Snipe and rails	September 20-November 28.	
Ducks, mergansers, coots, moorhens, purple gallinules and geese.	Deferred.				
Mississippi:					
Ducks, mergansers and coots	November 1-December 12.				
Mourning doves.....	September 29-October 12 and November 21-December 12.				
Missouri:					
Mourning doves.....	September 1-December 16.				
Wisconsin:					
Rails, woodcock, snipe, common moorhens and purple gallinules.	September 1-December 16.				
Ducks, mergansers, and coots	October 4-January 18.				
CENTRAL FLYWAY					
Montana:					
Mourning doves.....	September 1-October 12.				
Nebraska:					
Ducks, geese, mergansers and coots.	Deferred.				
New Mexico:					
Mourning doves and white-winged doves.	September 1-November 6 and November 22-December 30.				
Band-tailed pigeons.....	September 1-November 30.				
Sandhill cranes only in Chaves, Curry, De Baca, Eddy, Lea, Quay, and Roosevelt Counties.	October 13-January 26.				
Ducks, mergansers and coots	October 16-January 18.				

Note.—See waterfowl season footnotes for descriptions of zones. For some States, the extended falconry season dates also include general season dates.

Dated: August 22, 1986.

Susan Recce,

Acting Assistant Secretary for Fish and Wildlife and Parks.

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BILLING CODE 4310-55-M

50 CFR Parts 32 and 33

Addition of Seven National Wildlife Refuges to the Lists of Open Areas for Migratory Game Bird Hunting, Upland Game Hunting, Big Game Hunting, and Eleven Refuges for Sport Fishing

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Final rule.

SUMMARY: The Fish and Wildlife Service (Service) is adding 7 national wildlife refuges (NWR) to the lists of open areas for migratory game bird, upland game, and big game hunting, and 11 refuges for sport fishing. The Secretary of the Interior (Secretary) has determined that this action is in accordance with the provisions of all applicable laws, is consistent with the principles of sound wildlife management, and is otherwise in the public interest. The Secretary has further determined that such uses will be compatible with, and in some cases enhance, the major purposes for which each refuge was established. The hunting of migratory game birds, upland game and big game, and sport fishing will provide additional public recreational opportunities.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT:

James F. Gillett, Division of Refuges, Fish and Wildlife Service, 18th and C Streets, NW., Room 2343, Washington, DC 20240; Telephone (202) 343-4311.

SUPPLEMENTARY INFORMATION: National wildlife refuges, other than those in Alaska, are closed to hunting and sport fishing until opened by rulemaking. The Secretary may open refuge areas to hunting or fishing upon a determination that such uses are compatible with the major purposes for which the refuge areas were established, and that funds are available for development, operation, and maintenance of a hunting or fishing program. The action must also be in accordance with provisions of all laws applicable to the areas, must be consistent with the principles of sound wildlife management, and must otherwise be in the public interest.

On May 30, 1986, at 51 FR 19572, the Service published a proposed rule to open 7 refuges to hunting and 11 to sport fishing. Some of the hunting and fishing programs require refuge-specific hunting or fishing regulations, and these regulations were included in a separate rulemaking (51 FR 24179). The policy of the Department of the Interior is, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, written comments received on the proposed rule are addressed in the following section.

Responses to Comments Received

Written comments on the proposed rule were received from 19 organizations, agencies, and individuals. Substantive comments on issues not already addressed in hunting and fishing plans, environmental assessments (EA),

and section 7 endangered species analyses (all of which were available for public review during the comment period for the proposed rule) are responded to below:

Issue: Hunting on NWRs is illegal under the Refuge Administration Act and Refuge Recreation Act because it is incompatible with the legal responsibilities of the Refuge System to preserve, protect, and enhance wildlife.

Service Response: The Refuge Recreation Act states that the Secretary of the Interior is authorized to administer refuges for public recreation. The Refuge Administration Act authorizes the Secretary to permit the use of any area within the Refuge System for any purpose, including hunting. Thus, the Service believes that Congress clearly intended that recreation be an important part of a refuge management program to the extent that it is compatible with the primary purposes of a refuge. The compatibility provision applies to the purposes of individual refuges, not to the purposes of the entire Refuge System. The proposed rule contained a compatibility statement for each refuge where hunting was proposed. The purpose for which each refuge was established, and a brief description of how each hunting program is compatible with these purposes, was discussed. (These statements are also contained in the preamble of this final rule.) The hunting plans, EAs, and section 7 endangered species determinations for each refuge were also available to the public during the 30-day comment period for the proposed rule. The Service believes that these documents contain the necessary data to substantiate the compatibility of the proposed hunting programs, and that the statement that hunting on refuges is illegal is without statutory foundation.

Issue: The proposed refuge hunting programs violate the Refuge Recreation Act if their projected costs have not been specifically allocated within refuge budgets because they will take funds away from other refuge programs.

Service Response: The Service has determined that sufficient funds are available to manage the proposed refuge hunts without detracting from other refuge programs and that the hunts will only use a small percentage of the annual budgets of the refuges in question. The Refuge Recreation Act does not state that hunting programs cannot use funds that could have been used for other refuge programs. It merely requires that sufficient funding be available for refuge recreation. The allocation of a refuge's budget is made according to an annual work plan,

which includes hunting as well as other refuge programs.

Issue: The proposed hunting programs are a violation of the Endangered Species Act.

Service Response: When the hunting plans and EAs for the hunting programs were developed, consideration was given to the potential impact upon any endangered or threatened species that might use the refuges involved. For all refuges being opened to hunting in this rule, the Service prepared analyses pursuant to section 7 of the Endangered Species Act. The analyses conclude that none of the proposed hunts is likely to jeopardize endangered or threatened species or interfere with their recovery or conservation. The hunting programs were developed to minimize any potential adverse impacts on endangered and threatened species and, when needed, refuge-specific regulations were proposed to ensure that the hunting programs would not affect threatened or endangered species. The programs will be administered by wildlife professionals who have the responsibility to conserve endangered and threatened species. Service studies of the impact of migratory bird hunting nationwide on endangered species suggest losses of such species are infinitesimal. Since refuge hunting is but a small fraction of total migratory game bird hunting, no impact to endangered species from such hunting is likely.

Issue: The Service did not comply with the National Environmental Policy Act (NEPA) because environmental impact statements (EISs) were not prepared for the individual refuge hunting programs.

Service Response: EAs were prepared for each proposed hunting program and were available for public review during the comment period. Based upon these EAs, the Service found that no significant environmental impacts would ensue from the Proposed hunting programs. The Service therefore determined that no EISs were required.

Issue: The surplus determinations required under 50 CFR 31.1 and 31.2 have not been made.

Service Response: 50 CFR Part 31 is limited to recognizing general authority to dispose of surplus wildlife and lists hunting as one method of control and disposition. The Service's procedure for permitting hunting on refuges is set forth in 50 CFR Part 32. This rule involves the policy and regulations in Part 32 which essentially require that hunting be consistent with the principles of sound wildlife management and otherwise be in the public interest.

Issue: The proposed hunting programs, because they will be governed

principally by State regulations, will transfer authority to the States, which is illegal under the Refuge Administration Act.

Service Response: The regulations governing the proposed hunting programs will not transfer Service authority for managing NWRs. Refuges open to hunting are managed in accordance with the Secretary's authority under the Refuge Administration Act and the Refuge Recreation Act. The Refuge Administration Act requires hunting and fishing regulations on NWRs be consistent with State fish and wildlife laws, to the extent practicable. Moreover, the Act is not intended to affect the authority, jurisdiction, or responsibility of the States to regulate fish and resident wildlife under State law or regulations. Once the Secretary has made the mandated determinations under both of these Acts, it is Department policy to conduct hunting within the framework of State laws and regulations and to impose additional requirements, where necessary, as refuge-specific regulations.

This policy is clearly stated in 50 CFR 32.2(d): "Each person shall comply with the applicable provisions of the laws and regulations of the State wherein any area is located unless further restricted by Federal law or regulations." Under the regulations that will govern these hunts, the Service maintains its authority to enforce all State and Federal game regulations on NWRs.

Issue: Hunting on refuges violates the recommendations of the 1979 National Wildlife Refuge System Task Force.

Service Response: Task Force recommendations state that hunting is "consistent with the concept of providing habitat in refuges for healthy populations of wildlife and [is] compatible with sound wildlife management principles and practices." The Service feels that its hunting proposals are consistent with this viewpoint.

Issue: Some reviewers felt the biological data reported for some of the refuges in question are insufficient, or lacking, and do not justify the need for hunting.

Service Response: The Service recognizes hunting as an acceptable, traditional form of wildlife-oriented recreation that can be used as a management tool to effectively manipulate wildlife population levels. The primary objective of refuge hunting programs is to provide the general public with a quality recreational experience and an opportunity to utilize a renewable resource. A less often seen

need is to maintain wildlife populations at levels compatible with refuge habitat. The Service feels that the hunting plans and EAs available for public review during the comment period contain adequate biological information. The Service also endorses the generally held principle that hunting need not be allowed only when wildlife populations are so high that harvest is necessary to protect a species from the impacts of its own excessive numbers. To delay harvesting until populations reach maximum carrying capacity risks habitat damage, disease, and population crashes. Game species in suitable habitat will generate harvestable surpluses which can be taken regularly without impairing desired population trends. Refuge hunting programs are monitored and, if necessary, adjusted to ensure no detriment to desired population trends.

Issue: One commenter was concerned that opening Pond Island NWR to sport fishing would interfere with late nesting terns unless the proposed ban on sport fishing were extended from July 31 to August 15, in order to accommodate these late nesters.

Service Response: The Service has agreed to extend the date and the ban will now be from the first day of March to August 16.

Issue: Opening Ash Meadows to hunting would adversely impact the endangered species because proper management of the program would be lacking.

Service Response: The Service has recently increased its management presence at Ash Meadows, and the proposed management of the refuge hunt program during the upcoming season will be sufficient to provide resource protection and regulated public use. Active management of the refuge this summer has resulted in reestablishing water control structures, controlling salt cedar invasions and general cleanup work on the refuge. In carrying out these activities, Service staff have frequently been on site at Ash Meadows and in contact with refuge visitors and local residents. It appears that with the virtual abandonment of Amargosa and the closure of the Borax Mill, visitor use of the area is declining. Incidents of vandalism and habitat abuse have also decreased.

As stated in the proposed rule, the level of participation by hunters is expected to be extremely low. This low level is due largely to reductions in farming practices in the area which previously drew large populations of game birds.

Given the limited hunting demand in the area at the present time, the Service

believes Ash Meadows can support regulated migratory bird and upland game hunting in designated areas of the refuge without impacting other refuge resources. The Service finds no evidence that threatened and endangered species habitat has been altered by traditional hunting activity, or by other casual visitor usage such as bird watching or sightseeing. Rather, activities such as peat mining, agricultural practices, ground water pumping, mining and livestock grazing have been responsible for habitat modification threatening the existence of listed species.

During the hunting season there will be a Service person at the refuge to answer questions and direct people to hunting areas and away from the sensitive areas. State personnel in Pahrump have also agreed to assist in this effort. Waterfowl hunting will only occur at two reservoirs that are not sensitive areas. Horseshoe reservoir will be closed to hunting. Regulatory signs will be posted closing all access around sensitive springs and a general information brochure will be available for the public this fall.

In view of the limited number of hunters anticipated and the proposed management of the hunt program, the Service considers it appropriate to open Ash Meadows to hunting at this time. Controls on access, designated area restrictions, and the presence of Service and State personnel should be sufficient to protect refuge resources during the upcoming hunting season. If it is determined that further measures are warranted to adequately safeguard resources, the hunt program will be modified accordingly.

Conformance With Statutory and Regulatory Authorities

The National Wildlife Refuge System Administration Act (NWRSA) of 1966, as amended (16 U.S.C. 668dd), and the Refuge Recreation Act of 1962 (16 U.S.C. 460k) govern the administration and public use of NWRs. Specifically, section 4(d)(1)(A) of the NWRSA authorizes the Secretary to permit the use of any area within the Refuge System for any purpose, including but not limited to hunting, fishing, public recreation and accommodations, and access, when he determines that such uses are compatible with the major purposes for which such areas were established. The compatibility determination for each refuge affected by this rulemaking is discussed below.

The Refuge Recreation Act gives the Secretary additional authority to administer refuge areas within the Refuge System for public recreation as an appropriate incidental or secondary

use only to the extent that it is practicable and not inconsistent with the primary objectives for which the areas were established. In addition, opening refuges to hunting or fishing under the Refuge Recreation Act requires that the Secretary determine that funds be made available for the development, operation, and maintenance of these permitted forms of recreation prior to initiating such uses of refuge areas.

The Secretary has determined that the hunting and fishing openings described below are appropriate in accordance with the NWRSA and the Refuge Recreation Act, and are compatible and consistent with the primary purposes for which each of the refuges listed was established. The hunting and fishing programs are consistent with State and Federal regulatory frameworks. A discussion of the compatibility of the hunting and fishing programs with the purposes for which each refuge was established and the availability of funding for each program, as discussed in the proposed rule, follows:

Ash Meadows NWR was purchased in 1984 to protect the endemic, endangered, and rare plants and animals (primarily fish) from alteration of their terrestrial and aquatic environments [Supplemental Appropriations Act of 1983]. The refuge is currently administered by the Desert NWR Complex, is located in a sparsely populated area and does not attract a large number of visitors. The Service proposes to open the refuge to migratory game bird (waterfowl, mourning dove) and upland game (quail, pheasant, rabbit) hunting. Because of the very limited participation expected in the hunting program and the remote chance of adverse interaction by the hunters with any endangered plant or fish species, hunting would be compatible with refuge purposes. Further, an Endangered Species Act Section 7 consultation concludes that hunting "is not likely to jeopardize" the continued existence of any species listed as threatened or endangered. Opening Ash Meadows NWR to migratory game bird and upland game hunting would thus be in compliance with the NWRSA. The annual cost of the hunting program will be approximately \$9,500. Within the annual Refuge Complex budget of approximately \$387,000, the necessary funds are available for the administration of the hunting program. Therefore, opening Ash Meadows NWR to migratory game bird and upland game hunting would be in compliance with the Refuge Recreation Act.

Bandon Marsh NWR was established in 1983 by authority of the Fish and Wildlife Act of 1956 to protect migratory bird habitat. It is administered by the Western Oregon Refuge Complex. The Service proposes to open the refuge to migratory game bird (waterfowl, snipe, dove, pigeon) hunting and sport fishing. Hunting and fishing pressures will be light because the area, and access to it, are somewhat remote, and most participants would come from the surrounding lowly populated area. Consequently, it is anticipated that these activities would result in only minor trampling of the vegetation which would recover the next growing season. A section 7 consultation concludes that hunting or sport fishing are "not likely to jeopardize" the continued existence of any species listed as threatened or endangered that are using the refuge. These recreational opportunities will not interfere with or distract from the purpose for which the refuge was established, therefore, they would be in compliance with the NWRSA. The annual cost of the hunting and fishing program is estimated at \$2,000. Within the annual Refuge Complex budget of approximately \$430,000, the necessary funds are available for the administration of these hunting and fishing programs. Therefore, opening Bandon Marsh NWR to migratory game bird hunting and sport fishing would be in compliance with the Refuge Recreation Act.

Bear Valley NWR was established in 1978 by authority of the Fish and Wildlife Act of 1956 to protect a major winter roost for bald eagles. The refuge is administered by the Klamath Basin NWR Complex. The Service proposes to open the refuge to deer hunting. The refuge is closed to all public entry from November 1 through March 31, the only period of time eagles use the refuge. The hunt would occur from late August through October and will be regulated (such as vehicle access restrictions and no open fires) to insure that eagle roosting habitat is not jeopardized. A section 7 evaluation concludes that deer hunting "will not affect" the continued existence of the bald eagle. Therefore, opening Bear Valley NWR to deer hunting would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. Refuge administration, operation and maintenance costs are derived from the general tax fund by congressional appropriation. The estimated annual cost of \$2,500 to manage the hunt program would be available from the annual Klamath Basin NWR Complex

budget of approximately \$800,000. Therefore, opening Bear Valley NWR to deer hunting would be in compliance with the Refuge Recreation Act.

Cedar Island NWR was established in 1964 by authority of the Migratory Bird Conservation Act to preserve migratory waterfowl habitat. It is administered by the Mattamuskeet NWR. The Service proposes to open the refuge to sport fishing which would be limited to fishing from refuge ditch banks, islands and bridges during daylight hours. Because of the restricted locations where fishing would occur, there would be very little or no disturbance to the waterfowl habitat which is salt marsh dominated by *Spartina sp.* A section 7 evaluation states that "no threatened or endangered species exist on the refuge." Opening Cedar Island NWR to sport fishing would therefore be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The estimated annual cost of the fishing program would be approximately \$200. Within the annual Mattamuskeet NWR budget of approximately \$406,000, the necessary funds would be available for the administration of the proposed fishing program. Therefore, opening Cedar Island NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Cedar Point NWR was established in 1964 by authority of the Migratory Bird Conservation Act to protect migratory bird habitat. Sport fishing is proposed for one 15-acre borrow pond and the Cedar Point Bay. It is proposed to open the pond to fishing only during the months of June, July and August when waterfowl use is very low. Access for fishing in the Bay will be limited to boats only thereby minimizing disturbance to shorebirds. A section 7 evaluation concludes that this sport fishing program "will not affect" bald eagles around the area. By selecting only those areas where fishing would cause little disturbance to the migratory birds and their habitat and limiting fishing activities to periods of low waterfowl use, opening Cedar Point NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The estimated annual cost of administering the program is \$2,800.

Within the annual refuge budget of approximately \$230,000, the necessary funds are available for the administration of the fishing program. Therefore, opening Cedar Point NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Chickasaw NWR was established in 1985 by authority of the Migratory Bird Conservation Act to manage and conserve habitat for migratory birds, but not as an inviolate sanctuary for such (as allowed by the 1978 Improvement Act). The Service proposes to open the refuge to migratory game bird (waterfowl, dove, snipe, woodcock), big game (deer, wild boar and turkey) and upland game (squirrel, rabbit, quail, raccoon, opossum) hunting. Hunting will have a beneficial effect in controlling the abundant game populations that can damage migratory bird habitat due to overpopulation. This is especially true of the deer population which could increase beyond the carrying capacity of the refuge and cause damage to the habitat through over-browsing. Further, in an Intra-Service Section 7 consultation the Region 4 Director concludes that the proposed hunting programs "are not likely to jeopardize the existence of the bald eagle or result in the destruction or adverse modification of its habitat." Opening Chickasaw NWR to migratory game bird, upland game, and big game hunting would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. With an estimated annual cost of \$2,500 to administer the hunting program and an annual budget of \$227,600 to operate the refuge, the necessary funds are available to administer the hunting program. Therefore, opening Chickasaw NWR to migratory game bird, upland and big game hunting would be in compliance with the Refuge Recreation Act.

Eufaula NWR was established in 1964 by authority of the Fish and Wildlife Act of 1956 to provide resting and feeding habitat for waterfowl, in a cooperative agreement with the U.S. Army Corps of Engineers. The Service proposes to open the refuge to deer hunting. Hunting will occur prior to the major arrival of migratory waterfowl in early November. The resultant deer harvest will help control the size of the herd which, if allowed to expand, could destroy the forest habitat and consume crops planted for waterfowl. A section 7 evaluation concludes that the proposed hunting program "will not affect" the bald eagle or American alligator. For these reasons, opening Eufaula NWR to big game hunting would further the purpose for which the refuge was established, and would be in compliance with the NWRSA. The estimated annual cost to administer the hunting program is \$1,000. Within the annual refuge budget of approximately \$193,000, the necessary funds are available to

administer this program. Therefore, opening the Georgia portion of Eufaula NWR to big game hunting would be in compliance with the Refuge Recreation Act.

Hanalei NWR was established in 1972 by authority of the Fish and Wildlife Act of 1956 to preserve and manage critical habitat for the endangered Hawaiian stilt, coot, duck and gallinule. It is administered by the Hawaiian/Pacific Islands Refuge Complex. The Service proposes to open the refuge to sport fishing. This recreational opportunity would involve fishing from a refuge dike into non-refuge waters. The location where this activity would occur is used very little by endangered waterbirds as the deep water and dense California grass on the river banks provide poor waterbird habitat. Further, a section 7 evaluation concludes that the proposed fishing program "is not likely to jeopardize" any of the species listed as endangered. Therefore, opening Hanalei NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The annual cost of the sport fishing program would be negligible, since no special services or facilities are required to administer it and public access would be via a county road available to all visitors. Within the annual Hawaiian/Pacific Islands Refuge Complex budget of approximately \$800,000, the necessary funds are available for the administration of this sport fishing program. Therefore, opening Hanalei NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Johnston Atoll NWR was established in 1926 by Executive Order 4467 for "the protection of native birds." In 1934, President Roosevelt placed administrative control and jurisdiction of the refuge under the Secretary of the Navy but maintained the island as a refuge. Currently, the U.S. Department of Defense has overall administrative authority for the refuge. The Service provides the Base Commander with technical assistance on habitat maintenance, species management and environmental interpretation. The State of Hawaii has no jurisdiction over the refuge as it is outside State boundaries. Throughout the period of military occupation, residents and visitors to Johnston Atoll have been given recreational fishing opportunities which include shore fishing from the four islands in the lagoon and boat fishing in the lagoon and outside the reef. Recreational fishing at current levels has had minimal adverse impact on the

resources. Present refuge and base regulations prohibit entry to the breeding seabird colonies during the breeding season and limit fishing to pier and unvegetated beach areas on the islands. Further, a section 7 evaluation concludes that the proposed fishing program "is not likely to affect" any threatened green and hawksbill turtles or humpback whales. Therefore, opening Johnston Atoll NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The Department of Defense currently provides approximately \$50,000 annually to the Service to operate the refuge. Few special services or facilities are required by the Service to administer the fishing program and public access is not allowed on the refuge without prior approval by the Base Commander, so program administration costs are not great. Miscellaneous costs incurred by the program are met by the Hawaiian/Pacific Islands Refuge Complex budget of approximately \$800,000. Therefore, opening Johnston Atoll NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Kakahaia NWR was established in 1977 by authority of the Fish and Wildlife Act of 1956 to preserve and manage critical habitat for the endangered Hawaiian stilt, coot, duck and gallinule. It is administered by the Hawaiian/Pacific Islands Refuge Complex. The Service proposes to open the refuge to sport fishing which would involve fishing from a refuge beach to take fish from ocean waters. A highway and fence separate the beach from wetlands used by the endangered waterbirds. Further, a section 7 evaluation concludes that the proposed fishing program "will not affect" the endangered waterbirds or adversely modify their habitat. Opening Kakahaia NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The annual cost of the program would be negligible, since no special services or facilities are required to administer it and public access would be via a county road available to all visitors. Within the annual Hawaiian/Pacific Islands Refuge Complex budget of approximately \$800,000, the necessary funds are available for the administration of this program. Therefore, opening Kakahaia NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Nantucket NWR was established in 1973 by authority of the Fish and

Wildlife Act of 1956 to preserve coastal habitat for shorebirds and migratory passerine birds and to provide wildlife-oriented recreation. It is currently administered by the Parker River NWR. The Service proposes to open the refuge to sport fishing. This activity would involve fishing from refuge lands into the waters of Nantucket Sound and the Atlantic Ocean. Access to the fishing areas will be allowed only over designated routes away from prime migratory bird habitat and driving within 20 feet of the bases of the dunes facing the beaches will be prohibited. A section 7 evaluation concludes that threatened and endangered wildlife will "not be affected" by the proposed fishing program. For these reasons, opening Nantucket NWR to sport fishing would not disturb coastal habitat, would enhance wildlife-oriented recreation and would be in compliance with the NWRSA. The estimated annual cost to administer the fishing program is approximately \$500. Within the annual Parker River NWR budget of approximately \$430,000, the necessary funds would be available to administer the fishing. Therefore, opening Nantucket NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Ottawa NWR was established in 1961 by authority of the Migratory Bird Conservation Act for the conservation and management of migratory bird habitat. Sport fishing is proposed for the open water section of Metzger Marsh Bay, a part of the refuge. Fishing would be a management tool to remove carp whose feeding and spawning activities make the waters turbid, thereby reducing the growth of submergent and emergent vegetation necessary for migratory bird feeding and nesting. Waterfowl use of the Bay is moderate in the fall and spring with marsh and shorebird use low. A borrow pond, established as a result of dike construction, is also proposed to be opened for sport fishing during the months of June, July and August only. A section 7 evaluation indicates that "there are no threatened or endangered species on the refuge to be impacted by the proposed fishing program." By selecting only those areas where fishing would cause little disturbance, selecting the least disruptive time of year for public access, and encouraging an activity that would enhance the habitat for migratory birds, opening Ottawa NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The estimated annual cost to administer

the program is approximately \$2,500. Within an annual refuge budget of approximately \$230,000, the necessary funds are available to administer the program. Therefore, opening Ottawa NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Pond Island NWR was established in 1973 by authority of the Fish and Wildlife Act of 1956 to preserve habitat for waterfowl, shorebirds, and passerine birds and to provide wildlife-oriented recreation. It is currently administered by the Parker River NWR. The Service proposes to open the refuge to sport fishing. This activity would consist of access by boat to a small beach and fishing from refuge lands into the waters of Casco Bay. Fishing would not be permitted during the waterfowl and shorebird nesting season, March 1 through July 31. A section 7 evaluation indicates that "there are no threatened or endangered species on the refuge to be affected by the proposed fishing program." Because of limited access to the island restricting the volume/disturbance by the public and closing it to fishing during the nesting season, opening Pond Island NWR to sport fishing would be compatible with the purpose of habitat protection. Further, it would enhance wildlife-oriented recreation and would be in compliance with the NWRSA. The estimated annual cost to administer the program is approximately \$100. Within the annual Parker River NWR budget of approximately \$430,000, the necessary funds would be available to administer the program. Therefore, opening Pond Island NWR to sport fishing would be in compliance with the Refuge Recreation Act.

Prime Hook NWR was established in 1963 by authority of the Migratory Bird Conservation Act to preserve coastal wetlands as waterfowl habitat. Opening the refuge to sport fishing would be limited to two small freshwater ponds, and to certain tidal water areas for bank and boat fishing. Fishing in the ponds would be restricted seasonally so as not to interfere with wood duck and black duck nesting. Bank fishing along tidal waterways will be restricted to areas not over 250 feet off the roadways to prevent disturbance to nesting waterfowl. A section 7 evaluation indicates that the bald eagle and peregrine falcon "will not be affected" by the proposed fishing program. For these reasons, opening Prime Hook NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA.

The estimated annual cost to administer the fishing program would be approximately \$2,300. Within the annual refuge budget of approximately \$169,000, the necessary funds would be available to administer the program. Therefore, opening Prime Hook NWR to sport fishing would be in compliance with the Refuge Recreation Act.

San Bernardino NWR was established in 1982 by authority of the Endangered Species Act to preserve habitat for the endangered Rio Yaqui fish. The Service proposes to open the refuge (lands east of Black Draw) to migratory game bird (white-winged and mourning dove) and upland game (rabbit, quail) hunting. Sensitive springs and water developments east of Black Draw will be closed so that accidental pollution will be prevented. Also, vehicular traffic will be prohibited. Further, a section 7 evaluation concludes that the proposed hunting program "will not affect" the continued existence of the endangered fish. Therefore, opening San Bernardino NWR to upland game hunting would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. Annual costs to administer the program are expected to be approximately \$3,600, primarily for enforcement. Within an annual refuge budget of approximately \$75,000, the necessary funds are available to administer the program. Therefore, opening San Bernardino NWR to migratory game bird and upland game hunting would be in compliance with the Refuge Recreation Act.

San Pablo Bay NWR was established in 1974 by authority of the Migratory Bird Conservation Act to preserve migratory bird habitat. It is administered by the San Francisco Bay NWR Complex. Most of the refuge consists of tidelands leased from the State of California in 1982. They were leased to protect almost 12,000 acres of shoreline and open water and under the terms of the lease must be open to waterfowl hunting. The Service proposes to open the leased lands of the refuge to migratory game bird and upland game hunting. Pheasant hunting will be permitted on certain leased lands where the population consists of pen-reared birds which escape from a neighboring hunting club. Waterfowl hunting will be permitted on leased portions of San Pablo Bay and its tributaries in accordance with provisions of the lease. A section 7 evaluation and consultation concludes that the proposed hunting programs "are not likely to jeopardize" the threatened or endangered species on the refuge. Since the area being opened

to waterfowl and pheasant hunting is required by the lease, opening San Pablo Bay NWR to migratory game bird and upland game is in compliance with the NWRSA. The estimated annual cost to administer the hunting program would be approximately \$5,000. Within the Refuge Complex operating budget of approximately \$1,126,000, the necessary funds would be available to administer the hunting program. Therefore, opening San Pablo Bay NWR to migratory game bird and upland game hunting would be in compliance with the Refuge Recreation Act.

Swanquarter NWR was established in 1935 by authority of the Migratory Bird Conservation Act to provide winter sanctuary for migratory waterfowl. It is administered by the Mattamuskeet NWR. The Service proposes to open the refuge to sport fishing and only permit fishing from refuge islands and the Bell Island pier into State controlled waters. Waterfowl use of these areas in the winter is low, as is angler use, due to the colder weather at this time of year. Therefore, no disturbance to migratory waterfowl is expected to occur from this program. Sport fishing, permitted in the State controlled waters surrounding the refuge, also has had no adverse impacts on migratory bird habitat. Further, a section 7 evaluation concludes that the proposed fishing program "will not affect" the continued existence of the bald eagle or American alligator. Opening Swanquarter NWR to sport fishing would be compatible with the purpose for which the refuge was established and would be in compliance with the NWRSA. The estimated annual cost of the fishing program would be approximately \$500. Within the annual Mattamuskeet NWR budget of approximately \$406,000, the necessary funds would be available to administer the program. Therefore, opening Swanquarter NWR to sport fishing would be in compliance with the Refuge Recreation Act.

In summary, the Service has determined that these hunting and fishing programs will be appropriate incidental or secondary uses of these refuges; will be compatible with, will not interfere with, and in some cases will enhance, the primary purposes for which these refuges were established; will be biologically sound and compatible with the principles of sound wildlife management; and will not be inconsistent with any other previously authorized Federal programs or with the primary objectives of these refuges. The Service has further determined that funds are available for administration of these programs, and that these programs

are otherwise in the public interest in that they will provide recreational opportunities without impairment of the resource. Hunting and fishing plans are developed for each of these programs on a refuge prior to the opening of the refuge to these activities. In some cases, refuge-specific hunting or fishing regulations are included as a part of the hunting or fishing plan to ensure the compatibility of the programs with refuge purposes. Necessary refuge-specific regulations are included in a separate rulemaking document on refuge-specific hunting/fishing regulations.

It is also the intent of this rulemaking to make some technical corrections. One is to update an obsolete citation in § 32.1 for the Administrative Procedure Act. Another is to update a name change for Barnegat and Brigantine NWRs to Edwin B. Forsythe NWR in §§ 32.11 and 33.4; and for Charles Sheldon Antelope Range to Sheldon NWR in §§ 32.21 and 32.31. And yet another is to update the list of Alaska refuges which was made obsolete by the Alaska National Interest Lands Conservation Act of 1980. This Act changed some names and added more refuges to the list.

Economic Effect

Executive Order 12291, "Federal Regulation," of February 17, 1981, requires the preparation of regulatory impact analyses for major rules. A major rule is one likely to result in an annual effect on the economy of \$100 million or more; a major increase in costs or prices for consumers, individual industries, government agencies or geographic regions; or significant adverse effects on the ability of United States-based enterprises to compete with foreign-based enterprises. The Regulatory Flexibility Act of 1980 (5 U.S.C. 601 *et seq.*) further requires the preparation of flexibility analyses for rules that will have a significant effect on a substantial number of small entities, which include small businesses, organizations, and governmental jurisdictions.

It is estimated that the opening of these refuges to hunting and fishing will generate approximately 42,666 annual visits. Using data from the 1980 National Survey of Hunting, Fishing, and Wildlife-Associated Recreation, total annual receipts generated from purchases of food, transportation, hunting equipment, fishing gear, fees, and licenses associated with these programs are expected to be approximately \$975,708, or substantially less than \$100 million. In addition, since these estimated receipts will be spread over 12 states, the implementation of this rule should not have a significant

economic impact on the overall economy of a particular region, industry or group of industries, or level of government.

With respect to small entities, this rule will have a positive aggregate economic effect on small businesses, organizations, and governmental jurisdictions. The refuge openings will provide recreational opportunities and generate economic benefits that will not otherwise exist, and will impose no new costs on small entities. While the number of small entities likely to be effected is not known, the number is judged to be small. Moreover, the added cost to the Federal government of law enforcement, posting, etc., needed to implement activities under this rule will be less than the income generated from the implementation of these hunting and/or sport fishing programs. Accordingly, the Department of the Interior has determined that this rule is not a "major rule" within the meaning of Executive Order 12291 and will not have a significant economic effect on a substantial number of small entities within the meaning of the Regulatory Flexibility Act.

Paperwork Reduction Act

The Service has approval from the Office of Management and Budget (OMB) for the information collection requirements of these regulations pursuant to the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). These requirements are presently approved by OMB as cited below:

Type of information collection	OMB Approval No.
Economic and public use permits.....	1018-0014

These regulations impose no new reporting or recordkeeping requirements that must be cleared by OMB.

Environmental Considerations

The "Final Environmental Statement for the Operation of the National Wildlife Refuge System" [FES 76-59] was filed with the Council on Environmental Quality on November 12, 1976; a notice of availability was published in the *Federal Register* on November 19, 1976 (41 FR 51131). Pursuant to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), environmental assessments were prepared for these refuge openings. Based upon the EAs, the Service issued Findings of No Significant Impact with respect to the openings. Section 7 evaluations were prepared, where

appropriate, pursuant to the Endangered Species Act.

In view of the rapidly approaching hunting seasons, there is an immediate need to place these regulations into effect. Most State hunting seasons begin about September 1. It is Service policy to conduct hunting within the framework of State laws, regulations and seasons. To delay opening the refuges to hunting may cause confusion to the public, deny a benefit to the public and small related businesses and would not be in the best interest of the Service or the public. Thus the Department of the Interior concludes that good cause exists within the meaning of 5 U.S.C. 553(d)(3) of the Administrative Procedures Act to make these regulations effective upon publication in the *Federal Register*.

Nancy A. Marx, Division of Refuges, Fish and Wildlife Service, Washington, D.C., is the primary author of this rulemaking document.

List of Subjects

50 CFR Part 32

Hunting, National Wildlife Refuge System, Wildlife, Wildlife refuges.

50 CFR Part 33

Fishing, National Wildlife Refuge System, Wildlife refuges.

Accordingly, Parts 32 and 33, Subchapter C, Chapter I of Title 50 of the Code of Federal Regulations are amended as set forth below:

PART 32—[AMENDED]

1. The authority citation for Part 32 is revised to read as follows and the authority citation following § 32.41 is removed.

Authority: 5 U.S.C. 301; 16 U.S.C. 460k, 664, 668dd, 690d, 715i, 718d, 725; 44 U.S.C. 3501 *et seq.*

2. The citation for the Administrative Procedure Act in § 32.1 is revised to read as follows: "(5 U.S.C. 553)"

3. Section 32.11 is amended by revising the entry for Alaska; by removing the Barnegat and Brigantine NWRs, NJ; and by adding San Bernardino NWR, AZ, San Pablo Bay NWR, CA, Ash Meadows NWR, NV, Edwin B. Forsythe NWR, NJ, Bandon Marsh NWR, OR, and Chickasaw NWR, TN, alphabetically by State as follows:

§ 32.11 List of open areas; migratory game birds.

* * * * *

Alaska

Alaska Maritime National Wildlife Refuge
Alaska Peninsula National Wildlife Refuge

Arctic National Wildlife Refuge
 Becharof National Wildlife Refuge
 Innoko National Wildlife Refuge
 Izembek National Wildlife Refuge
 Kanuti National Wildlife Refuge
 Kenai National Wildlife Refuge
 Kodiak National Wildlife Refuge
 Koyukuk National Wildlife Refuge
 Nowitna National Wildlife Refuge
 Selawik National Wildlife Refuge
 Tetlin National Wildlife Refuge
 Togiak National Wildlife Refuge
 Yukon Delta National Wildlife Refuge
 Yukon Flats National Wildlife Refuge
 * * *

Arizona

San Bernardino National Wildlife Refuge
 * * *

California

San Pablo Bay National Wildlife Refuge
 * * *

Nevada

Ash Meadows National Wildlife Refuge
 * * *

New Jersey

Edwin B. Forsythe National Wildlife Refuge
 * * *

Oregon

Bandon Marsh National Wildlife Refuge
 * * *

Tennessee

Chickasaw National Wildlife Refuge
 * * *

4. Section 32.21 is amended by revising the entry for Alaska; by removing the Charles Sheldon Antelope Range, OR; and by adding San Bernardino NWR, AZ, San Pablo Bay NWR, CA, Ash Meadows NWR, NV, Sheldon National Wildlife Refuge, OR, and Chickasaw NWR, TN, alphabetically by State as follows:

§ 32.21 List of open areas; upland game.

* * *

Alaska

Alaska Maritime National Wildlife Refuge
 Alaska Peninsula National Wildlife Refuge
 Arctic National Wildlife Refuge
 Becharof National Wildlife Refuge
 Innoko National Wildlife Refuge
 Izembek National Wildlife Refuge
 Kanuti National Wildlife Refuge
 Kenai National Wildlife Refuge
 Kodiak National Wildlife Refuge
 Koyukuk National Wildlife Refuge
 Nowitna National Wildlife Refuge
 Selawik National Wildlife Refuge
 Tetlin National Wildlife Refuge
 Togiak National Wildlife Refuge
 Yukon Delta National Wildlife Refuge
 Yukon Flats National Wildlife Refuge
 * * *

Arizona

San Bernardino National Wildlife Refuge
 * * *

California

San Pablo Bay National Wildlife Refuge
 * * *

Nevada

Ash Meadows National Wildlife Refuge
 * * *

Oregon

Sheldon National Wildlife Refuge
 * * *

Tennessee

Chickasaw National Wildlife Refuge
 * * *

5. Section 32.31 is amended by revising the entry for Alaska; by removing the Charles Sheldon Antelope Range, OR; and by adding Eufaula NWR, GA, Bear Valley and Sheldon NWRs, OR, and Chickasaw NWR, TN, alphabetically by State as follows:

§ 32.31 List of open areas; big game.

* * *

Alaska

Alaska Maritime National Wildlife Refuge
 Alaska Peninsula National Wildlife Refuge
 Arctic National Wildlife Refuge
 Becharof National Wildlife Refuge
 Innoko National Wildlife Refuge
 Izembek National Wildlife Refuge
 Kanuti National Wildlife Refuge
 Kenai National Wildlife Refuge
 Kodiak National Wildlife Refuge
 Koyukuk National Wildlife Refuge
 Nowitna National Wildlife Refuge
 Selawik National Wildlife Refuge
 Tetlin National Wildlife Refuge
 Togiak National Wildlife Refuge
 Yukon Delta National Wildlife Refuge
 Yukon Flats National Wildlife Refuge
 * * *

Georgia

Eufaula National Wildlife Refuge
 * * *

Oregon

Bear Valley National Wildlife Refuge
 * * *
 Sheldon National Wildlife Refuge
 * * *

Tennessee

Chickasaw National Wildlife Refuge
 * * *

6. The authority citation for Part 33 is revised as follows and the authority citation following § 33.4 is removed.

Authority: 5 U.S.C. 301; 16 U.S.C. 460k, 664, 668dd, 690d, 715i, 718d, 725; 44 U.S.C. 3501 et seq.

7. Section 33.4 is amended by revising the entry for Alaska; by removing

Brigantine NWR, NJ; and by adding Prime Hook NWR, DE, Hanalei and Kakahaia NWRs, HI, Pond Island NWR, ME, Nantucket NWR, MA, Edwin B. Forsythe NWR, NJ, Cedar Island and Swanquarter NWRs, NC, Cedar Point and Ottawa NWRs, OH, and Bandon Marsh NWR, OR, alphabetically by State except Johnston Atoll NWR, Pacific Islands Territory which is inserted after Wyoming State to read as follows:

§ 33.4 List of open areas; sport fishing.

* * *

Alaska

Alaska Maritime National Wildlife Refuge
 Alaska Peninsula National Wildlife Refuge
 Arctic National Wildlife Refuge
 Becharof National Wildlife Refuge
 Innoko National Wildlife Refuge
 Izembek National Wildlife Refuge
 Kanuti National Wildlife Refuge
 Kenai National Wildlife Refuge
 Kodiak National Wildlife Refuge
 Koyukuk National Wildlife Refuge
 Nowitna National Wildlife Refuge
 Selawik National Wildlife Refuge
 Tetlin National Wildlife Refuge
 Togiak National Wildlife Refuge
 Yukon Delta National Wildlife Refuge
 Yukon Flats National Wildlife Refuge
 * * *

Delaware

Prime Hook National Wildlife Refuge
 * * *

Hawaii

Hanalei National Wildlife Refuge
 Kakahaia National Wildlife Refuge
 * * *

Maine

Pond Island National Wildlife Refuge
 * * *

Massachusetts

Nantucket National Wildlife Refuge
 * * *

New Jersey

Edwin B. Forsythe National Wildlife Refuge
 * * *

North Carolina

Cedar Island National Wildlife Refuge
 Swanquarter National Wildlife Refuge
 * * *

Ohio

Cedar Point National Wildlife Refuge
 Ottawa National Wildlife Refuge
 * * *

Oregon

* * *

Bandon Marsh National Wildlife Refuge

Pacific Islands Territory

Johnston Atoll National Wildlife Refuge

Dated: August 14, 1986.

P. Daniel Smith,

Acting Assistant Secretary for Fish and Wildlife and Parks.

[FR Doc. 86-19488 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-55-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 672

[Docket No. 60597-6097]

Foreign Fishing; Groundfish of the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Emergency interim rule; extension of effective date.

SUMMARY: The Secretary of Commerce extends through November 30, 1986, an emergency rule amending regulations implementing the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) in effect through September 2, 1986. This extension is necessary to allow the Secretary (1) to close a regulatory area or district of the Gulf of Alaska to direct fishing for sablefish by a specific gear type prior to achievement of the share of the sablefish OY that has been allocated to that gear type, thereby providing for a bycatch, and (2) to allow continued fishing for other groundfish species in a regulatory area or district when the OY of any groundfish species has been reached, if the Regional Director determines that the resulting mortality inflicted on the species for which the OY had been reached would not constitute over fishing. The intended effect is to promote the full utilization of all groundfish species without biological harm to any one species and without inhibiting the development of fisheries that are dependent on sablefish and other groundfish species.

EFFECTIVE DATE: September 2, 1986 through November 30, 1986.

FOR FURTHER INFORMATION CONTACT: Ronald J. Berg (Fishery Management Biologist, NMFS), 907-586-7230.

SUPPLEMENTARY INFORMATION: Under section 305(e) of the Magnuson Fishery Conservation and Management Act (Magnuson Act), the Secretary issued an

emergency rule effective on June 3, 1986 (51 FR 20659, June 6, 1986) to allow closures as summarized above. The reasons for these actions, which are discussed in the preamble to the emergency rule, still continue and are not repeated here.

When the North Pacific Fishery Management Council voted for the species-specific fishery closures that authorize closure of the directed fishery for sablefish by any legal gear type prior to reaching its share of the OY and retaining a portion of the sablefish OY for bycatch to support groundfish fishing for other species with that gear type, it based its decision on the amount of fishing that would be conducted on available stocks for the entire 1986 fishing year. The Council's action is affirmation that this emergency rule be extended through November 30, 1986, under section 305(e)(3)(B) of the Magnuson Act.

The emergency rule is exempt from the normal review procedures of Executive Order 12291 as provided in section 8(a)(1) of that Order. This rule is being reported to the Director of the Office of Management and Budget, with an explanation of why it is not possible to follow the procedures of that Order.

(16 U.S.C. 1801 *et seq.*)

List of Subjects in 50 CFR Part 672

Fisheries, Reporting requirements.

Dated: August 25, 1986.

Carmen J. Blondin,

Deputy Assistant Administrator for Fisheries Resource Management, National Marine Fisheries Service.

[FR Doc. 86-19478 Filed 8-25-86; 11:26 am]

BILLING CODE 3510-22-M

50 CFR Part 654

[Docket No. 60603-6144]

Stone Crab Fishery of the Gulf of Mexico

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Final rule.

SUMMARY: NOAA issues this final rule to implement conservation and management measures as prescribed in Amendment 3 to the Fishery Management Plan for the Stone Crab Fishery of the Gulf of Mexico (FMP). This final rule provides for measures designed (1) to increase the survival rate of decapod crabs and of the eggs of egg-bearing females, (2) to allow for a hardship extension for removal of traps, and (3) to delete the FMP reporting

requirement. The intended effect is to increase productivity of the stock and to remove unnecessary reporting burdens from persons in the fishery.

EFFECTIVE DATE: September 25, 1986.

ADDRESS: Copies of the final supplemental regulatory impact review/regulatory flexibility analysis are available from Donald W. Geagan, Southeast Region, National Marine Fisheries Service, 9450 Koger Boulevard, St. Petersburg, FL 33702.

FOR FURTHER INFORMATION CONTACT: Donald W. Geagan, 813-893-3722.

SUPPLEMENTARY INFORMATION: The FMP was developed by the Gulf of Mexico Fishery Management Council (Council) under the authority of the Magnuson Fishery Conservation and Management Act (Magnuson Act) and is implemented by regulations appearing at 50 CFR Part 654. This final rule implements Amendment 3 to the FMP.

The FMP manages the stone crab fishery in the fishery conservation zone of the Gulf of Mexico off Florida. The final rule applies only to this area. The preamble to the proposed rule for Amendment 3 (51 FR 21001, June 10, 1986) contained a description and discussion of the measures implemented by this rule (i.e., maintaining stored crabs in a damp and uncompressed condition; prohibiting declawing of egg-bearing female crabs; providing for a 10-day hardship extension for removal of traps from the water; and deletion of the requirement of mandatory reporting).

Comments

No comments were received on the proposed rule.

Changes From the Proposed Rule

In § 654.6, a new paragraph (a)(23) is added to aid in enforcement of the 10-day hardship extension period for removal of stone crab traps from the water.

In § 654.22, paragraph (a)(2) is modified to aid in enforcement of the 10-day hardship extension period for removal of stone crab traps from the water.

Classification

The Regional Director determined that the amendment is necessary for the conservation and management of the stone crab fishery and that it is consistent with the Magnuson Act and other applicable law.

The Council prepared an environmental assessment (EA) for this amendment and concluded that there will be no significant impact on the environment as a result of this rule. You

may obtain a copy of the EA from the address above.

The Administrator, NOAA, determined that this rule is not a "major rule" requiring a regulatory impact analysis under Executive Order 12291. A summary appears in the proposed rule.

The Council prepared a final regulatory flexibility analysis which describes the effects this rule will have on small business entities. You may obtain a copy of this analysis from the address above.

This rule modifies a collection of information requirement subject to the Paperwork Reduction Act by deleting the mandatory Federal system approved by the Office of Management and Budget (OMB control number 0648-0016).

The Council determined that this rule will be implemented in a manner that is consistent to the maximum extent practicable with the approved coastal zone management program of Florida. This determination was submitted for review by the responsible State agency under section 307 of the Coastal Zone Management Act. The State agency agreed with this determination.

List of Subjects in 50 CFR Part 654

Fisheries, Fishing.

Dated: August 22, 1986.

Carmen J. Blondin,

Deputy Assistant Administrator for Fisheries Resource Management, National Marine Fisheries Service.

For reasons set forth in the preamble, 50 CFR Part 654 is amended as follows:

PART 654—[AMENDED]

1. The authority citation for Part 654 continues to read as follows:

Authority: 16 U.S.C. 1801 *et seq.*

2. In Part 654, the table of contents is amended by the removing the title "Recordkeeping and Reporting Requirements" and reserving § 654.5, and by revising the title of § 654.6 "Restrictions" to read "Prohibitions".

§ 654.5 [Removed and Reserved]

3. The text and title of § 654.5 is removed and the section number is reserved.

4. Section 654.6 is amended by revising the title to read "Prohibitions", removing the word "to" at the beginning of paragraphs (a) (1), (2), and (4) through (7), and after the word "forcibly" in paragraph (a)(3), revising the introductory text of paragraph (a), revising paragraph (a)(6), and adding new paragraphs (a) (8) through (24) to read as follows:

§ 654.6 Prohibitions.

(a) It is unlawful for any person to do any of the following:

* * * * *

(6) Falsify any report submitted under this part;

* * * * *

(8) Fish for stone crabs in the FCZ with other than a U.S. vessel which is properly documented, registered, or numbered as required in § 654.4(a);

(9) Falsify or fail to display the vessel's appropriate documentation or registration number and the appropriate stone crab number and color code as specified in § 654.4(b) (2) and (3);

(10) Falsify or fail to mark all stone crab traps and trap buoys with their Florida permit number and color code or their Federal number and color code as specified in § 654.4(b) (1) and (3);

(11) Remove from stone crabs; or possess in the FCZ, regardless of where taken, stone crab claws with a propodus (Figure 2) measuring less than 2 3/4 inches; or remove, possess, or land stone crab claws from stone crabs taken in the FCZ with a propodus measuring less than 2 3/4 inches, as specified in § 654.20(a);

(12) Fail to return declawed stone crabs to the sea prior to the vessel's reaching port, shore, or dock as specified in § 654.20(b);

(13) Fail to store stone crabs at sea in containers protected from direct sunlight and in a manner which does not compress the crabs, as specified in § 654.20(b);

(14) Fail to keep stored stone crabs damp by wetting as necessary, as specified in § 654.20(b);

(15) Tend, open, pull or otherwise molest or have in possession aboard a vessel another person's stone crab traps, except as specified in § 654.20(c);

(16) Tend, open, pull, or otherwise molest stone crab traps, except during the hours specified in § 654.20(d);

(17) Possess at sea, land, or fail immediately to return to the sea egg-bearing female stone crabs or to remove eggs or claws from egg-bearing female stone crabs, as specified in § 654.20(e);

(18) Take or possess stone crabs or any part thereof in the FCZ during the closed season specified in § 654.22(a); except as provided by § 654.22(a)(3);

(19) Have stone crab traps in the water before or after the dates specified in § 654.22(a);

(20) Trawl in a closed area of the FCZ during the time periods specified in § 654.23(a);

(21) Place stone crab traps in a closed area in the FCZ, as specified in § 654.23(b)(1);

(22) Place into the FCZ any article, as specified in § 654.23(b)(2); or

(23) Fail to have on board or present for inspection an extension authorization, as required under § 654.22(a)(2); or

(24) Use stone crab traps without a biodegradable panel, as required under § 654.21.

* * * * *

5. Section 654.20 is amended by revising paragraph (b) and by adding a new paragraph (e), to read as follows:

§ 654.20 Catch limitations.

* * * * *

(b) *Holding crabs aboard fishing vessels.* Stone crab bodies from which the claws have been removed must be returned to the sea before the vessel reaches shore or a port or a dock. Live stone crabs may be held aboard a vessel while it is at sea until such time as the claws are removed, provided the crabs are held in containers shaded from direct sunlight and are wet with sea water as necessary to keep the crabs in a damp condition. Containers holding stone crabs must be stacked in a manner which does not compress the crabs.

* * * * *

(e) *Egg-bearing female crabs.* It is prohibited to remove claws from egg-bearing female stone crabs or to have any egg-bearing female stone crabs aboard a vessel or to remove the eggs from any stone crab. Egg-bearing female stone crabs must be returned to the sea immediately.

6. Section 654.22 is revised to read as follows:

§ 654.22 Closed seasons.

(a) No person may possess stone crabs or any parts thereof in the FCZ during the period from 0001 hours (local time) May 16 through 2400 hours (local time) October 14.

(1) Prior to the fishing season, baited traps may be placed in the water one hour before sunrise on October 5 (soak period).

(2) After the fishing season, traps must be removed from the water by one hour after sunset on May 20 (removal period); unless an extension to the removal period is granted by the State of Florida in accordance with Chapter 46-13, Stone crab, Rules of the Department of Natural Resources, Florida Marine Fisheries Commission, Florida Administrative Code. The extension authorization must be carried aboard the fishing vessel. The operator of a fishing vessel must present the authorization for inspection upon request of an authorized officer.

(3) Holding crabs in traps while in the water during the soak period (October 5-14), or during the removal period (May 16-20), or during an extension thereto, will not be deemed as possession provided that such crabs are returned immediately to the water with claws unharvested whenever the traps are removed from the water during these periods.

(4) No traps may be transported on or set in the waters of the FCZ between one hour after sunset on May 20 (or May 30, if an extension to the removal period is granted) and one hour before sunrise on October 5.

(b) Stone crab traps, floats, or ropes in the management area at times not authorized in paragraph (a) will be considered unclaimed or abandoned property and may be disposed of in any manner considered appropriate by the Secretary or an authorized officer. Owners of these stone crab traps remain subject to appropriate civil penalties.

[FR Doc. 86-19477 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-22-M

Proposed Rules

Federal Register

Vol. 51, No. 167

Thursday, August 28, 1986

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 21 and 23

[Docket No. 019CE, Notice No. 23-ACE-19]

Special Conditions; Petersen Aviation, Inc., Modified Cessna Model 310 Series Airplanes to Incorporate Anti-Detonation Injection (ADI) System Provisions

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed special conditions.

SUMMARY: This notice proposes to adopt special conditions for Petersen Aviation, Inc., modified Cessna Aircraft Company Model 310 Series Airplanes to incorporate ADI system provisions. The certification basis for the existing type design of these airplanes does not contain adequate or appropriate safety standards for these systems. This notice proposes additional airworthiness standards which the Administrator finds necessary to establish a level of safety equivalent to the original certification basis for these airplanes.

DATE: Comments must be received on or before September 29, 1986.

ADDRESS: Comments on this proposal may be mailed in duplicate to: Federal Aviation Administration, Office of the Regional Counsel, ACE-7, Attn: Rules Docket Clerk, Docket No. 019CE, Room No. 1558, 601 East 12th Street, Kansas City, Missouri 64106. All comments must be marked: Docket No. 019CE. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4:00 p.m.

FOR FURTHER INFORMATION CONTACT: Oscar Ball, Aerospace Engineer, Aircraft Certification Division, 601 East 12th Street, Room 1656, Federal Office Building, Kansas City, Missouri 64106, telephone (816) 374-5688.

SUPPLEMENTARY INFORMATION

Comments Invited

Interested persons are invited to participate in the making of these special conditions by submitting such written data, views or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the address specified in this notice. All communications received on or before the closing date for comments specified in this notice will be considered by the Administrator before taking action on these proposals. The proposals contained in this notice may be changed in light of the comments received. All comments submitted will be available in the Rules Docket for examination by interested parties both before and after the closing date for submission of comments.

Type Certification Basis

The certification basis for the Cessna Aircraft Company Model 310 Series (TC 3A10) is as follows: Model 310 through 310F, CAR 3 dated November 1, 1949, as amended by 3-1 through 3-10; Models 310G through T310P, same as earlier models plus §§ 3.109, 3.111, 3.112, 3.115, 3.118 and 3.120 of CAR 3, dated May 15, 1956, as amended by 3-2 and 3-5; Models 310Q and T310Q, same as earlier models plus § 3.688 of CAR 3 dated May 15, 1956, as amended by 3-2, 3-5, and 3-8; Models 310R and T310R, same as earlier models plus §§ 23.161 and 23.171 through 23.181 of FAR 23 dated February 1, 1965, as amended by 23-1 through 23-7, and 23.1327, as amended through 23-23, in addition, for S/N 310R0801 and up, compliance with ice protection has been demonstrated in accordance with FAR 23.1419 of Amendment 23-14, effective December 20, 1973, when ice protection equipment is installed in accordance with the Pilot's Operating Handbook and Factory Kit No. 194; S/N 310Q0901 and on, markings, placards, and manuals are primarily in knots instead of m.p.h., as required by CAR 3, but permitted by FAR 23, Amendment 23-7; S/N 310R0501 and up, findings of equivalent level of safety were made for CAR 3.757 and 3.778(a); Model 310R/T310R, S/N 310R1801 and up, compliance with noise certification requirements has been demonstrated in accordance with FAR 36, dated December 1, 1969, as amended through 36-10; and any special

conditions which result from this proposal.

Background

On March 25, 1986, Petersen Aviation, Inc., Route 1, Box 18, Minden, Nebraska 68959, submitted an application for Supplemental Type Certificate (STC) approval of the design changes necessary to incorporate an ADI system on the Cessna Model 310 Series Airplanes. This installation incorporates ADI tanks, pumps, lines, and associated control systems to supply ADI fluid to the engines in measured quantities to allow the engines to be operated on automobile gasoline (autogas). The engines will be previously certificated for use of autogas with ADI independently of the airplane installation certification. Petersen Aviation, Inc., has indicated to the FAA that they plan substantially equivalent modifications to several other makes and models of small airplanes.

Discussion

The installation of ADI systems in small airplanes was not envisioned when the certification basis for the subject airplanes was established. In addition, the Administrator has determined that the current Part 23 does not contain adequate or appropriate safety standards for ADI systems; therefore, an ADI is considered a novel and unusual design feature.

Special conditions may be issued and amended, as necessary, as a part of the type certification basis if the Administrator finds that the airworthiness standards designated in accordance with § 21.101(b)(2) do not contain adequate or appropriate safety standards because of the novel and unusual design features of the airplane. Special conditions, as appropriate, are issued in accordance with § 11.49 after public notice, as required by §§ 11.28 and 11.29(b), effective October 14, 1980, and will become part of the type certification basis, as provided by § 21.101(b)(2).

While developing these special conditions, the FAA determined that the ADI fluid used in this system (a mixture of 60% alcohol and 40% water) is a flammable fluid in the same volatility class as gasoline and, as such, must be handled and protected in the same manner. Therefore, these special conditions require the ADI fluid systems

to meet essentially the same standards as the airplane fuel system.

The FAA has considered the features proposed by Petersen Aviation, Inc. for the ADI installation in the Cessna Model 310 Series airplanes and has concluded that, notwithstanding the existing requirements applicable to these airplanes which did not envision the use of such systems, special conditions should be promulgated for such systems. In addition to the applicable requirements, that will provide the necessary level of safety. Accordingly, special conditions are proposed.

List of Subjects in 14 CFR Parts 21 and 23

Aviation safety, Aircraft, Air Transportation, Safety.

The authority citation for these special conditions is as follows:

Authority: Secs. 313(a), 601, and 603 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, and 1423); 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 21.16 and 21.101; and 14 CFR 11.28 and 11.29(b).

The Proposed Special Conditions

Accordingly, the Federal Aviation Administration proposes the following special conditions as a part of the type certification basis for Cessna Model 310 Series airplanes modified to incorporate the Petersen Aviation, Inc. Anti-Detonation Injection (ADI) system.

1. Each Anti-Detonation Injection (ADI) system must meet the applicable requirements for the design of a fuel system as specified in §§ 23.951(a) and (b); 23.953(a) and (b); 23.954, 23.955(a) and (c)(1); 23.959; 23.961; 23.963(a), (d), and (e); 23.965(a)(1); 23.967(a)(1) and (2), (b), (c), (d), and (e); 23.969; 23.971; 23.973(a), (b), and (c); 23.975(a)(1), (2), (3), (5), (6), and (7); 23.977(a)(2), (b), (c), and (d); 23.991; 23.993; 23.995; 23.997(a), (b), (c), and (d); 23.999; 23.1141(a), (b), (c), (d), (f), and (g); 23.1143(a), (e), and (f); 23.1189(a) and (c); and 23.1337(a), (b)(1), (2), (3), and (4), and (c) of the Federal Aviation Regulations, dated February 1, 1965, as amended through Amendment 23-30, except as set forth in sections 2 through 4 of these special conditions.

2. For ADI systems, replace the word "fuel" with the words "ADI fluid" in all Part 23 sections listed in section 1 of these special conditions, as appropriate. In addition, certain listed sections are amended as follows:

§ 23.955 [Amended]

(a) In § 23.955(a) General. In the first sentence, replace the first portion of the first sentence with "The ability of the ADI system to provide ADI fluid at a flow rate and pressure sufficient for

proper engine operation must be shown. . . ."

(b) In § 23.955(c)(1), replace the entire subparagraph (c)(1) with "This flow rate is required for each primary pump and each alternate pump, when the pump is supplied with normal voltage."

§ 23.967 [Amended]

(c) In § 23.967(d), delete the first sentence. In the second sentence, delete the phrase, "of a single engine airplane".

§ 23.971 [Amended]

(d) In § 23.971, replace paragraph (a) with "(a) Each ADI fluid tank must be drainable in the normal ground attitude". Replace paragraph (b) with "(b) Each drain required by paragraph (a) of this section must comply with the provisions of § 23.999(b)".

§ 23.991 [Amended]

(e) In § 23.991, replace paragraph (a) with "(a) Primary pumps. (1) The pump which supplies ADI fluid to an engine during normal (nonfailure) operation of the system is a primary pump and there must be one primary pump for each engine. (2) It must be possible to bypass or flow ADI fluid through each primary pump." Replace paragraph (b) with "(b) Alternate provisions to permit continued supply of ADI fluid to the engine in the event of primary pump failure must be incorporated in the installation. Any pump used for that purpose will be an alternate pump for that engine." In paragraph (c), replace the word "normal" with the word "primary" and the word "emergency" with the word "alternate".

§ 23.997 [Amended]

(f) In § 23.997, replace paragraph (d) with "(d) Have the capacity (with respect to operating limitations established for the ADI system) to ensure that ADI system functioning is not impaired, with the ADI fluid contaminated to a degree (with respect to particle size and density) that is greater than that established for proper operation of the ADI system," and add a new paragraph, "(e) Be located with respect to any pressure or flow sensing devices such that the blockage of the filter will be detected by this device".

§ 23.999 [Amended]

(g) In § 23.999, delete subparagraph (b)(1).

§ 23.1141 [Amended]

(h) In § 23.1141(a), delete paragraphs (d) and (e) of § 23.777 which are incorporated by reference.

(i) In § 23.1141(a), delete subparagraphs (e)(1) of § 23.1555 which is incorporated by reference.

§ 23.1143 [Amended]

(j) In § 23.1143, as applies to the control and shutoff of the ADI system, add, "In addition, there must be an indicator or warning light that indicates the proper operation or malfunction of the ADI system."

3. If the ADI fluid is injected into the induction air ducts, it must be injected in a location where the discharge, distribution, or atomization of the fluid will not be affected by operation on either primary or alternate air.

4. ADI System Markings. The ADI filler openings must be conspicuously marked at or near the filler cover with: (a) The words "ADI fluid"; and (b) the capacity of the tank in either pounds or gallons consistent with other ADI system markings.

Issued in Kansas City, Missouri, on August 14, 1986.

Jerold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86-19445 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Parts 21 and 23

[Docket No. 021CE, Notice No. 23-ACE-21]

Special Conditions; Petersen Aviation, Inc., Modified Cessna Model 206 Series Airplanes to Incorporate Anti-Detonation Injection (ADI) System Provisions.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed special conditions.

SUMMARY: This notice proposes to adopt special conditions for Petersen Aviation, Inc., modified Cessna Aircraft Company Model 206 Series Airplanes to incorporate ADI system provisions. The certification basis for the existing type design of these airplanes does not contain adequate or appropriate safety standards for these systems. This notice proposes additional airworthiness standards which the Administrator finds necessary to establish a level of safety equivalent to the original certification basis for these airplanes.

DATE: Comments must be received on or before September 29, 1986.

ADDRESS: Comments on this proposal may be mailed in duplicate to: Federal Aviation Administration, Office of the Regional Counsel, ACE-7, Attn: Rules Docket Clerk, Docket No. 021CE, Room No. 1558, 601 East 12th Street, Kansas City, Missouri 64106. All comments must be marked: Docket No. 021CE. Comments may be inspected in the

Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4:00 p.m.

FOR FURTHER INFORMATION CONTACT: Oscar Ball, Aerospace Engineer, Aircraft Certification Division, 601 East 12th Street, Room 1656, Federal Office Building, Kansas City, Missouri 64106, telephone (816) 374-5688.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of these special conditions by submitting such written data, views or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the address specified in this notice. All communications received on or before the closing date for comments specified in this notice will be considered by the Administrator before taking action on these proposals. The proposals contained in this notice may be changed in light of the comments received. All comments submitted will be available in the Rules Docket for examination by interested parties both before and after the closing date for submission of comments.

Type Certification Basis

The certification basis (TC A4CE) for the Cessna Aircraft Company Model 206 Series airplane is Part 3 of the Civil Air Regulations, effective May 15, 1956, as amended by 3-1 through 3-8. In addition, effective U20602589 and U20604650 and up, FAR 23.1559, effective March 1, 1978. Dual wheel amphibious float criteria Special Conditions dated January 14, 1969, and Amendment No. 1 dated February 20, 1969. FAR 36 and Amendments 1 through 6, S/N U20604075 and up.

Equivalent Safety Items S/N U20602589 and U20603021 and up.

Airspeed Indicator, CAR 3.757 Operating Limitations, CAR 3.778(a)

In addition, any special conditions which result from this proposal.

Background

On March 25, 1986, Petersen Aviation, Inc., Route 1, Box 18, Minden, Nebraska 68959, submitted an application for Supplemental Type Certificate (STC) approval of the design changes necessary to incorporate an ADI system on the Cessna Model 206 Series airplanes. This installation incorporates ADI tanks, pumps, lines, and associated control systems to supply ADI fluid to the engines in measured quantities to allow the engines to be operated on automobile gasoline (autogas). The

engines will be previously certificated for use of autogas with ADI independently of the airplane installation certification. Petersen Aviation, Inc., has indicated to the FAA that they plan substantially equivalent modifications to several other makes and models of small airplanes.

Discussion

The installation of ADI systems in small airplanes was not envisioned when the certification basis for the subject airplanes was established. In addition, the Administrator has determined that the current Part 23 does not contain adequate or appropriate safety standards for ADI systems; therefore, an ADI system is considered a novel and unusual design feature.

Special conditions may be issued and amended, as necessary, as a part of the type certification basis if the Administrator finds that the airworthiness standards designated in accordance with § 21.101(b)(2) do not contain adequate or appropriate safety standards because of the novel and unusual design features of the airplane. Special conditions, as appropriate, are issued in accordance with § 11.49 after public notice, as required by §§ 11.28 and 11.29(b), effective October 14, 1980, and will become part of the type certification basis, as provided by § 21.101(b)(2).

While developing these special conditions, the FAA determined that the ADI fluid used in this system (a mixture of 60% alcohol and 40% water) is a flammable fluid in the same volatility class as gasoline and, as such, must be handled and protected in the same manner. Therefore, these special conditions require the ADI fluid systems to meet essentially the same standards as the airplane fuel system.

The FAA has considered the features proposed by Petersen Aviation, Inc. for the ADI installation in the Cessna Model 206 Series airplanes and has concluded that, notwithstanding the existing requirements applicable to these airplanes which did not envision the use of such systems, special conditions should be promulgated for such systems. In addition to the applicable requirements, that will provide the necessary level of safety. Accordingly, special conditions are proposed.

List of Subjects in 14 CFR Parts 21 and 23

Aviation safety, Aircraft, Air Transportation, Safety, and Tires.

The authority citation for these special conditions is as follows:

Authority: Secs. 313(a), 601, and 603 of the Federal Aviation Act of 1958, as amended (49

U.S.C. 1354(a), 1421, and 1423); 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 21.16 and 21.101; and 14 CFR 11.28 and 11.29(b).

The Proposed Special Conditions

Accordingly, the Federal Aviation Administration proposes the following special conditions as a part of the type certification basis for Cessna Model 206 Series airplanes modified to incorporate the Petersen Aviation, Inc. Anti-Detonation Injection (ADI) system. 1. Each Anti-Detonation Injection (ADI) system must meet the applicable requirements for the design of a fuel system as specified in § 23.951(a) and (b); 23.953(a) and (b); 23.954, 23.955(a) and (c)(1); 23.959; 23.961; 23.963(a), (d), and (e); 23.965(a)(1); 23.967(a)(1) and (2), (b), (c), (d), and (e); 23.969; 23.971; 23.973(a), (b), and (c); 23.975(a)(1), (2), (3), (5), (6), and (7); 23.977(a)(2), (b), (c), and (d); 23.991; 23.993; 23.995; 23.997(a), (b), (c), and (d); 23.999; 23.1141(a), (b), (c), (d), (f), and (g); 23.1143(a), (e), and (f); 23.1189(a) and (c); and 23.1337(a), (b)(1), (2), (3), and (4), and (c) of the Federal Aviation Regulations, dated February 1, 1965, as amended through Amendment 23-30, except as set forth in sections 2 through 4 of these special conditions.

2. For ADI systems, replace the word "fuel" with the words "ADI fluid" in all Part 23 sections listed in section 1 of these special conditions, as appropriate. In addition, certain listed sections are amended as follows:

§ 23.955 [Amended]

(a) In § 23.955(a) General. In the first sentence, replace the first portion of the first sentence with "The ability of the ADI system to provide ADI fluid at a flow rate and pressure sufficient for proper engine operation must be shown"

(b) In § 23.955(c)(1), replace the entire subparagraph (c)(1) with "This flow rate is required for each primary pump and each alternate pump, when the pump is supplied with normal voltage."

§ 23.967 [Amended]

(c) In § 23.967(d), delete the first sentence. In the second sentence, delete the phrase, "of a single engine airplane".

§ 23.971 [Amended]

(d) In § 23.971, replace paragraph (a) with "(a) Each ADI fluid tank must be drainable in the normal ground attitude". Replace paragraph (b) with "(b) Each drain required by paragraph (a) of this section must comply with the provisions of § 23.999(b)".

§ 23.991 [Amended]

(e) In § 23.991, replace paragraph (a) with "(a) Primary pumps. (1) The pump which supplies ADI fluid to an engine during normal (nonfailure) operation of the system is a primary pump and there must be one primary pump for each engine. (2) It must be possible to bypass or flow ADI fluid through each primary pump." Replace paragraph (b) with "(b) Alternate provisions to permit continued supply of ADI fluid to the engine in the event of primary pump failure must be incorporated in the installation. Any pump used for that purpose will be an alternate pump for that engine. In paragraph (c), replace the word 'normal' with the word 'primary' and the word 'emergency' with the word 'alternate'."

§ 23.997 [Amended]

(f) In § 23.997, replace paragraph (d) with "(d) Have the capacity (with respect to operating limitations established for the ADI system) to ensure that ADI system functioning is not impaired, with the ADI fluid contaminated to a degree (with respect to particle size and density) that is greater than that established for proper operation of the ADI system," and add a new paragraph, "(e) Be located with respect to any pressure or flow sensing devices such that the blockage of the filter will be detected by this device".

§ 23.999 [Amended]

(g) In § 23.999, delete subparagraph (b)(1).

§ 23.1141 [Amended]

(h) In § 23.1141(a), delete paragraphs (d) and (e) of § 23.777 which are incorporated by reference.

(i) In § 23.1141(a), delete subparagraph (e)(1) of § 23.1555 which is incorporated by reference.

(j) In § 23.1143, as applies to the control and shutoff of the ADI system, add, "In addition, there must be an indicator or warning light that indicates the proper operation or malfunction of the ADI system."

3. If the ADI fluid is injected into the induction air ducts, it must be injected in a location where the discharge, distribution, or atomization of the fluid will not be affected by operation on either primary or alternate air.

4. ADI System Markings. The ADI filler openings must be conspicuously marked at or near the filler cover with: (a) the words "ADI fluid"; and (b) the capacity of the tank in either pounds or gallons consistent with other ADI system markings.

Issued in Kansas City, Missouri on August 14, 1986.

Jerold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86-19446 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Parts 21 and 23

[Docket No. 025CE, Notice No. 23-ACE-25]

Special Conditions; Petersen Aviation, Inc., Modified Bellanca Model 17-30 Airplanes to Incorporate Anti-Detonation Injection (ADI) System Provisions

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed special conditions.

SUMMARY: This notice proposes to adopt special conditions for Petersen Aviation, Inc., modified Bellanca, Incorporated, Model 17-30 Airplanes to incorporate ADI system provisions. The certification basis for the existing type design of these airplanes does not contain adequate or appropriate safety standards for these systems. This notice proposes additional airworthiness standards which the Administrator finds necessary to establish a level of safety equivalent to the original certification basis for these airplanes.

DATE: Comments must be received on or before September 29, 1986.

ADDRESS: Comments on this proposal may be mailed in duplicate to: Federal Aviation Administration, Office of the Regional Counsel, ACE-7, Attn: Rules Docket Clerk, Docket No. 025CE, Room No. 1558, 601 East 12th Street, Kansas City, Missouri 64106. All comments must be marked: Docket No. 025CE. Comments may be inspected in the Rules Docket weekdays, except Federal holidays, between 7:30 a.m. and 4:00 p.m.

FOR FURTHER INFORMATION CONTACT: Oscar Ball, Aerospace Engineer, Aircraft Certification Division, 601 East 12th Street, Room 1656, Federal Office Building, Kansas City, Missouri 64106, telephone (816) 374-5688.

SUPPLEMENTARY INFORMATION:**Comments Invited**

Interested persons are invited to participate in the making of these special conditions by submitting such written data, views or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the address specified in this notice. All communications received on

or before the closing date for comments specified in this notice will be considered by the Administrator before taking action on these proposals. The proposals contained in this notice may be changed in light of the comments received. All comments submitted will be available in the Rules Docket for examination by interested parties both before and after the closing date for submission of comments.

Type Certification Basis

The type certification basis (TC 1A3) for the Bellanca, Incorporated, Model 17-30 Airplane is Part 03 of the Civil Air Regulations dated December 15, 1946 as amended by Amendments 03-1 through 03-4; §§ 3.80, 3.84a, 3.85a, 3.87, 3.112(c), 3.120, and 3.124(a) of Amendment 3-4, Amendments 3-6 and 3-7, and § 3.74 of Amendment 3-13 to Part 3 of the CAR dated November 1, 1949; and § 3.75(c) of Amendment 3-2 to Part 3 of the CAR dated May 15, 1956; and any special conditions which result from this proposal.

Background

On March 25, 1986, Petersen Aviation, Inc., Route 1, Box 18, Minden, Nebraska 68959, submitted an application for Supplemental Type Certificate (STC) approval of the design changes necessary to incorporate an ADI system on the Bellanca Model 17-30 airplanes. This installation incorporates ADI tanks, pumps, lines, and associated control systems to supply ADI fluid to the engines in measured quantities to allow the engines to be operated on automobile gasoline (autogas). The engines will be previously certificated for use of autogas with ADI independently of the airplane installation certification. Petersen Aviation, Inc., has indicated to the FAA that they plan substantially equivalent modifications to several other makes and models of small airplanes.

Discussion

The installation of ADI systems in small airplanes was not envisioned when the certification basis for the subject airplanes was established. In addition, the Administrator has determined that the current Part 23 does not contain adequate or appropriate safety standards for ADI systems; therefore, an ADI system is considered a novel and unusual design feature.

Special conditions may be issued and amended, as necessary, as a part of the type certification basis if the Administrator finds that the airworthiness standards designated in accordance with § 21.101(b)(2) do not

contain adequate or appropriate safety standards because of the novel and unusual design features of the airplane. Special conditions, as appropriate, are issued in accordance with § 11.49 after public notice, as required by §§ 11.28 and 11.29(b), effective October 14, 1980, and will become part of the type certification basis, as provided by § 21.101(b)(2).

While developing these special conditions, the FAA determined that the ADI fluid used in this system (a mixture of 60% alcohol and 40% water) is a flammable fluid in the same volatility class as gasoline and, as such, must be handled and protected in the same manner. Therefore, these special conditions require the ADI fluid systems to meet essentially the same standards as the airplane fuel system.

The FAA has considered the features proposed by Petersen Aviation, Inc. for the ADI installation in the Bellanca Model 17-30 airplanes and has concluded that, notwithstanding the existing requirements applicable to these airplanes which did not envision the use of such systems, special conditions should be promulgated for such systems, in addition to the applicable requirements, that will provide the necessary level of safety. Accordingly, special conditions are proposed.

List of Subjects in 14 CFR Parts 21 and 23

Aviation safety, Aircraft, Air Transportation, Safety, and Tires.

The authority citation for these special conditions is as follows:

Authority: Secs 313(a), 601, and 603 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, and 1423); 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 21.16 and 21.101; and 14 CFR 11.28 and 11.29(b).

The Proposed Special Conditions

Accordingly, the Federal Aviation Administration proposes the following special conditions as a part of the type certification basis for Bellanca Model 17-30 airplanes modified to incorporate the Petersen Aviation, Inc. Anti-Detonation Injection (ADI) system.

1. Each Anti-Detonation Injection (ADI) system must meet the applicable requirements for the design of a fuel system as specified in §§ 23.951(a) and (b); 23.953(a) and (b); 23.954, 23.955(a) and (c)(1); 23.959; 23.961; 23.963(a), (d), and (e); 23.965(a)(1); 23.967(a)(1) and (2), (b), (c), (d), and (e); 23.969; 23.971; 23.973(a), (b), and (c); 23.975(a)(1), (2), (3), (5), (6), and (7); 23.977(a)(2), (b), (c), and (d); 23.991; 23.993; 23.995; 23.997(a), (b), (c), and (d); 23.999; 23.1141(a), (b),

(c), (d), (f), and (g); 23.1143(a), (e), and (f); 23.1189(a) and (c); and 23.1337(a), (b)(1), (2), (3), and (4), and (c) of the Federal Aviation Regulations, dated February 1, 1965, as amended through Amendment 23-30, except as set forth in Sections 2 through 4 of these special conditions.

2. For ADI systems, replace the word "fuel" with the words "ADI fluid" in all Part 23 sections listed in Section 1 of these special conditions, as appropriate. In addition, certain listed sections are amended as follows:

§ 23.955 [Amended]

(a) In § 23.955(a) General. In the first sentence, replace the first portion of the first sentence with "The ability of the ADI system to provide ADI fluid at a flow rate and pressure sufficient for proper engine operation must be shown . . ."

(b) In § 23.955(c)(1), replace the entire subparagraph (c)(1) with "This flow rate is required for each primary pump and each alternate pump, when the pump is supplied with normal voltage."

§ 23.967 [Amended]

(c) In § 23.967(d), delete the first sentence. In the second sentence, delete the phrase, "of a single engine airplane".

§ 23.971 [Amended]

(d) In § 23.971, replace paragraph (a) with "(a) Each ADI fluid tank must be drainable in the normal ground attitude". Replace paragraph (b) with "(b) Each drain required by paragraph (a) of this section must comply with the provisions of § 23.999(b)".

§ 23.991 [Amended]

(e) In § 23.991, replace paragraph (a) with "(a) Primary pumps. (1) The pump which supplies ADI fluid to an engine during normal (nonfailure) operation of the system is a primary pump and there must be one primary pump for each engine. (2) It must be possible to bypass or flow ADI fluid through each primary pump." Replace paragraph (b) with "(b) Alternate provisions to permit continued supply of ADI fluid to the engine in the event of primary pump failure must be incorporated in the installation. Any pump used for that purpose will be an alternate pump for that engine. In paragraph (c), replace the word "normal" with the word "primary" and the word "emergency" with the word "alternate".

§ 23.997 [Amended]

(f) In § 23.997, replace paragraph (d) with "(d) Have the capacity (with respect to operating limitations established for the ADI system) to ensure that ADI system functioning is

not impaired, with the ADI fluid contaminated to a degree (with respect to particle size and density) that is greater than that established for proper operations of the ADI system," and add a new paragraph, "(e) Be located with respect to any pressure or flow sensing devices such that the blockage of the filter will be detected by this device".

§ 23.999 [Amended]

(g) In § 23.999 delete subparagraph (b)(1).

§ 23.1141 [Amended]

(h) In § 23.1141(a), delete paragraphs (d) and (e) of § 23.777 which are incorporated by reference.

(i) In § 23.1141(a), delete subparagraph (e)(1) of § 23.1555 which is incorporated by reference.

§ 23.1143 [Amended]

(j) In § 23.1143, as applies to the control and shutoff of the ADI system, add, "In addition, there must be an indicator or warning light that indicates the proper operation or malfunction of the ADI system."

3. If the ADI fluid is injected into the induction air ducts, it must be injected in a location where the discharge, distribution, or atomization of the fluid will not be affected by operation on either primary or alternate air.

4. ADI System Markings. The ADI filler openings must be conspicuously marked at or near the filler cover with: (a) The words "ADI fluid"; and (b) the capacity of the tank in either pounds or gallons consistent with other ADI system markings.

Issued in Kansas City, Missouri, on August 14, 1986.

Jerrold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86-19448 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 39

[Docket No. 86-NM-143-AD]

Airworthiness Directives: Airbus Industries Models A300 and 310; Boeing Models 707, 720, 727, 737, 747, 757, and 767; British Aerospace Models BA-146 and BAC 1-11; Lockheed Model L-1011; and McDonnell Douglas Models DC-8, DC-9, and DC-10

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This notice proposes to adopt an airworthiness directive (AD), applicable to certain transport category airplanes, that would require the servicing of aircraft tires with nitrogen, in lieu of air, as the need to fill or service the tires occurs. This action is prompted by three confirmed, and other suspected, cases in which the oxygen in air-filled tires combined with volatile gases given off by a severely overheated tire, and exploded upon reaching autoignition temperature. A tire explosion in the wheel well during flight is suspected in the catastrophic loss of one airplane and severe damage to two others.

DATES: Comments must be received no later than November 17, 1986.

ADDRESSES: Send comments on the proposal in duplicate to the Federal Aviation Administration, Northwest Mountain Region, Office of the Regional Counsel (Attn: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-143-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

FOR FURTHER INFORMATION CONTACT: Mr. Gary D. Lium, Systems and Equipment Branch, ANM-130S, FAA, Northwest Mountain Region, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168, telephone (206) 431-2946; or Mr. Anthony Bonanno, Systems and Equipment Branch, ANM-130L, FAA, Los Angeles Aircraft Certificate Office, 4344 Donald Douglas Drive, Long Beach, California 90808, telephone (213) 514-6323.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views or arguments as they may desire. Communications should identify the regulatory docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Availability of NPRM

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the FAA, Northwest Mountain Region, Office of the Regional Counsel (Attn: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-143-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

Discussion: There have been numerous instances of tires failing in the wheel well during flight on transport category airplanes. The great majority of these have been classified as tire bursts, with only a few having been identified as tire explosions. This is an important distinction, and provides a basis for this proposed AD action.

A tire burst, as referenced in the Federal Aviation Regulations [FAR 25.729(f)], is a sudden, sometime violent, venting of the pressure from within a tire, usually associated with a flaw in the tire, foreign object damage, or tire overheat/overload. A tire burst is not an unlikely event, given the rather severe operating environment of aircraft tires, and the fact that certain tire damage may go undetected until tire failure. With this in mind, equipment installed in wheel wells is evaluated at the time of certification to determine its ability to withstand the effects of a bursting tire. Analyses and laboratory tests are performed to identify critical areas, and design changes are often made to insure that a single tire burst will not cause loss of critical functions.

A tire explosion is a completely different phenomenon. It results from the autoignition and explosion of a mixture of explosive vapors released from the innerliner of a severely overheated or abused tire, and any oxygen which may be present inside the tire. A tire explosion in the wheel well is an unlikely event, since it is the result of a combination of several related events: a brake must be severely overheated due to some brake system failure; the wheel thermal fuse plugs, because of their orientation when the landing gear are retracted, must fail to respond quickly enough to the overheat condition; the overheated and possibly damaged tire must hold together long enough to allow the gas mixture in the tire to reach autoignition temperature; and there must be sufficient oxygen inside the tire to support an explosion.

It is impossible to design a thermal fuse plug that would be effective in a tire explosion, because the pressure and temperature rise would be nearly instantaneous following ignition, and the fuse plug melt, which is basically a mechanical process, would not have

time to take place. Also, the cross sectional area of a series of fuse plugs sufficient to safely vent the energy of an explosion would be so large that it would seriously compromise the structural integrity of the wheel. It is more logical to prevent the tire explosion than to attempt to deal with it after it happens. The tire explosion can be prevented by the use of an inert gas such as nitrogen for tire inflation.

Laboratory tests conducted by the Boeing Company in 1973 show a definite relationship between the quantity of oxygen present in a tire and autoignition temperature. Test data indicate that at nitrogen concentrations between 80% and 90% (the atmosphere contains approximately 80% nitrogen and 20% oxygen), ignition occurred in the test chamber with temperatures varying from 478°F to 518°F. Nitrogen concentrations between 90% and 95% raised the autoignition temperatures to a range of 520°F to 531°F. At nitrogen concentrations greater than 95%, there was no pressure increase in the test chamber, even at chamber temperatures of 670°F, indicating that there was no ignition. Based on these tests, it was concluded that any concentration of oxygen in a tire in excess of 5% of the total gas will support a reaction. At a concentration about 10%, this reaction is an abrupt autoignition. At concentrations from 5% to 10%, this reaction is assumed to be a low level autoignition, based on measurement of test chamber pressure and temperature.

If a tire contains at least 95% nitrogen, and is involved in a severe overheat situation as described above, the inert atmosphere inside the tire would prevent autoignition, or at least delay it long enough for either the fuse plugs to react and release tire pressure, or for the tire itself to fail from overheat, resulting in the less severe tire burst. Since the hazard associated with a tire explosion in the wheel well during flight is likely to exist or develop on large transport airplanes using tires inflated with air, this AD would require that tires be inflated with nitrogen. It is proposed that a placard be placed on or near the landing gear struts which would state the requirement to use nitrogen for tire inflation.

The FAA recognizes that nitrogen may not always be available at some small, remote airports, and that the prohibition against the use of air to refill a low tire may cause some inconvenience. As indicated by the testing describing above, the nitrogen in the tire may be diluted with oxygen to a 95% concentration without compromising safety. The FAA would consider, as an

alternate means of compliance with the AD, a procedure developed by an operator which would assure that any tire refill using air would not allow the nitrogen concentration to drop below 95%. A manufacturer has published in the maintenance manuals of two of its models a chart which explains an air-refill procedure for a residual tire nitrogen content of 90%. It is envisioned that similar procedures for a minimum nitrogen concentration of 95% for a range of tire sizes and pressures could be developed. Depending on tire size and pressure, it is estimated that 2 or 3 such air refills may be allowed, even assuming that the tire is not purged of air prior to its initial inflation.

It is proposed to apply this AD to the large transport category airplanes listed above. The mechanism of the tire explosion is not fully understood, but it is clear that sufficient energy to raise the air in a tire to autoignition temperature must be provided by an overheated brake. Larger airplanes generally have higher takeoff and landing speeds and, at the higher gross weights, this provides for more kinetic energy to be absorbed by the brakes as heat. In addition, a review of service difficulty reports has revealed that more severe tire failures occur on the larger, heavier airplanes. The FAA has no records of adverse service history on the smaller transport category airplanes which would suggest that the use of air for tire inflation constitutes a hazard. The FAA specifically requests comments relating to service experience on the smaller transport category airplanes not listed herein which may indicate the need for similar action in that area.

It is estimated that 3200 airplanes of U.S. registry would be affected by this AD. There would be no change in the number of manhours expended in routine tire servicing, since only the inflation gas would be different. It is estimated that the cost of bottled nitrogen in excess of locally obtainable compressed air would be approximately \$4.00 for the initial tire inflation and for any subsequent tire refills over the life of any given tire. Assuming an average of 200 landings per tire, and considering the current U.S. fleet utilization and mix of aircraft types, it is estimated that the total cost of compliance with this AD for U.S. operators would be \$650,000 per year. This figure assumes that no U.S. operators are currently using nitrogen in their tires, when in fact many operators are using nitrogen, and thus would be unaffected by this AD. Assuming that 60% of U.S. operators are currently using nitrogen, a realistic estimate of the annual cost would be \$260,000.

An ancillary benefit to the use of nitrogen in lieu of air would be a reduction in wheel corrosion, due to the fact that nitrogen is an inert gas and generally contains less moisture than does compressed air. The longer wheel life may, in some cases, offset the anticipated higher cost of nitrogen. Also, nitrogen is free of oil and other contaminants which may be present in compressed air. There is evidence that tires inflated with air have shortened service life because the air diffusing into the carcass degrades its interply adhesion. Finally, nitrogen bottles are portable, and may facilitate tire servicing at airport gates and other locations removed from maintenance areas.

For the reasons discussed above, the FAA has determined that this document (1) involves a proposed regulation which is not major under Executive Order 12291 and (2) is not a significant rule pursuant to the Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and it is further certified under the criteria of the Regulatory Flexibility Act that this proposed rule, if promulgated, will not have a significant economic impact on a substantial number of small entities because few of the airplanes affected by this AD are operated by small entities. A copy of a draft regulatory evaluation prepared for this action is contained in the regulatory docket.

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend § 39.13 of Part 39 of the Federal Aviation Regulations as follows:

PART 39—[AMENDED]

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By adding the following new airworthiness directive:

Airbus Industries, Boeing, British Aerospace, Lockheed and McDonnell Douglas: Applies to Airbus Industries Models A300 and A310; Boeing Models 707, 720, 727, 737, 747, 757, and 767; British Aerospace Models BA-146 and BAC 1-11; Lockheed Model L-1011; and McDonnell Douglas Models DC-8, DC-9 and DC-10; certificated

in any category. To eliminate the possibility of a chemical reaction between atmospheric oxygen and volatile gases from the tire innerliner producing a tire explosion, accomplish the following, unless already accomplished:

A. Within 180 days after the effective date of this AD, install a placard, either in the wheel wells, or on or near the landing gear struts, in a location so as to be easily seen and readable by a person performing routine tire servicing. This placard shall state "Inflate tires with nitrogen only." The words "service" or "fill" may be substituted for the word "inflate."

Note.—It is not necessary to purge the deflated tire of the one atmosphere of air remaining in the tire prior to its initial inflation with nitrogen.

B. An alternate means of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Seattle Aircraft Certification Office, FAA, Northwest Mountain Region (Airbus Industrie, Boeing, and British Aerospace models); or the Manager, Los Angeles Aircraft Certification Office, FAA, Northwest Mountain Region (Lockheed and McDonnell Douglas models).

C. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes unpressurized to a base for the accomplishment of inspections and/or modifications required by this AD.

Issued in Seattle, Washington, on August 20, 1986.

Joseph W. Harrell,

Acting Director, Northwest Mountain Region.

[FR Doc. 86-19449 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 39

[Docket No. 86-NM-153-AD]

Airworthiness Directives: EON Corporation Technical Standard Order (TSO) C22 Safety Belt Assemblies

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This notice proposes a new airworthiness directive (AD) that would require replacement of EON safety belt assemblies which have EON E6000 safety belt buckle assemblies. This proposed AD is prompted by reports of a buckle assembly which pulled apart under load, and other assemblies which could be pulled apart by wiggling the latch in the buckle. This condition, if not corrected, could result in the inadvertent unbuckling of a safety belt assembly, with the resultant lack of restraint of the occupant under either flight loads or crash loads.

DATE: Comments must be received no later than October 20, 1986.

ADDRESSES: Send comments on the proposal in duplicate to Federal Aviation Administration (FAA), Northwest Mountain Region, Office of the Regional Counsel (ATTN: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-153-AD, 17900 Pacific Highway South, C-68966 Seattle, Washington 98168. EON Corporation no longer exists. A copy of all documents applicable to this AD may be examined at the Federal Aviation Administration, Northwest Region, 17900 Pacific Highway South, Seattle, Washington, or at the Western Aircraft Certification Office, 15000 Aviation Boulevard, Hawthorne, California.

FOR FURTHER INFORMATION CONTACT: Mr. Walter Eierman, Aerospace Engineer, Systems & Equipment Section, ANM-173W, FAA, Northwest Mountain Region, Western Aircraft Certification Office; Telephone (213) 297-1388. Mailing address: FAA, Northwest Mountain Region, Western Aircraft Certification Office, ANM-173W, P.O. Box 92007, Worldway Postal Center, Los Angeles, California 90009-2007.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket number and be submitted in duplicate to the address specified above. All communication received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this Notice may be changed in light of the comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA/public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Availability of NPRM

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the FAA, Northwest Mountain Region, Office of the Regional Counsel (Attn: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-153-AD 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

Discussion

There have been reports where, during the flight of the helicopters in which they were installed, safety belt assemblies became unlatched. Later inspection of the safety belt assemblies revealed that one of the buckle assemblies could be easily pulled apart under load, and several others could be pulled apart by wiggling the latch in the buckle. There was no evidence that the buckle assemblies had been damaged. This condition, if not corrected, could result in the inadvertent unbuckling of a safety belt assembly, with the resultant lack of restraint of the occupant under either flight loads or crash loads. The safety belt assemblies involved were manufactured by EON Corporation. This company is no longer in business; therefore, no manufacturer service information is presently available.

Since this condition is likely to exist or develop on other safety belt assemblies of the same type design, this AD proposes to require replacement of the inadequate safety belt assemblies with other FAA-approved assemblies.

It is not possible to estimate the number of safety belt assemblies that must be replaced in order to comply with the requirements of this proposed AD. The FAA has determined that the highest cost for each safety belt assembly replacement would be less than \$100, including labor costs.

For these reasons, the FAA had determined that this document (1) involves a proposed regulations which is not major under Executive Order 12291 and (2) is not a significant rule pursuant to the Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and it is further certified under the criteria of the Regulatory Flexibility Act that this proposed rule, if promulgated, will not have a significant economic impact on a substantial number of small entities because of the minimum cost of compliance per aircraft (replacement of each safety belt assembly has been determined to be less than \$100). A copy of a draft regulatory evaluation prepared for this action is contained in the regulatory docket.

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) as follows:

PART 39—[AMENDED]

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By adding the following new airworthiness directive:

EON Corporation

Applies to EON Corporation TSO C22 safety belt assemblies incorporating E6000 buckle assemblies.

Compliance is required within thirty (30) days after the effective date of this AD, unless previously accomplished.

To prevent inadvertent opening of safety belt assemblies, accomplish the following:

A. Inspect all EON Corporation TSO C22 safety belt assemblies to determine if they use E6000 buckle assemblies. If a safety belt assembly with E6000 buckles is installed, remove and replace it with another FAA-approved safety belt assembly.

Note.—This type of buckle assembly has a front cover plate which is pivoted at one end and is pulled at the other end through an arc to release the latch from the buckle. The E6000 buckle assemblies can be identified by the type of catch they use. Figure 1 (follows) shows the configuration of the catch and how it is located within the buckle assembly.

B. Alternate means of compliance which provides an acceptable level of safety may be used when approved by the Manager, Western Aircraft Certification Office, FAA, Northwest Mountain Region.

Issued in Seattle, Washington, on August 21, 1986.

Joseph W. Harrell,

Acting Director, Northwest Mountain Region.

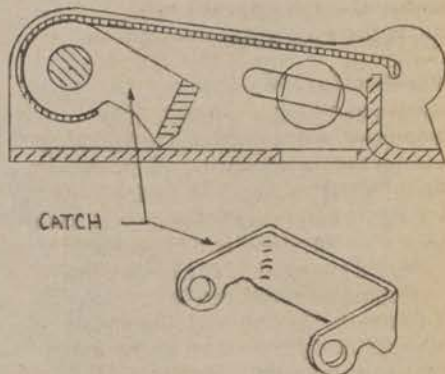


FIGURE 1.

E 6000 SERIES BUCKLE

[FR Doc. 86-19450 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 71**[Airspace Docket No. 86-AGL-24]****Establishment of Transition Area—
Greenville, MI****AGENCY:** Federal Aviation
Administration (FAA), DOT.**ACTION:** Notice of proposed rulemaking.**SUMMARY:** This notice proposes to establish the Greenville, Michigan, transition area to accommodate a new VOR/DME-A instrument approach procedure to Greenville Municipal Airport.

The intended effect of this action is to ensure segregation of the aircraft using approach procedures in instrument conditions from other aircraft operating under visual weather conditions in controlled airspace.

DATES: Comments must be received on or before September 30, 1986.**ADDRESS:** Send comments on the proposal in triplicate to: Federal Aviation Administration, Regional Counsel, AGL-7, Attn: Rules Docket No. 86-AGL-24, 2300 East Devon Avenue, Des Plaines, Illinois 60018.

The official docket may be examined in the Office of the Regional Counsel, Federal Aviation Administration, 2300 East Devon Avenue, Des Plaines, Illinois.

An informal docket may also be examined during normal business hours at the Air Traffic Division, Airspace Branch, Federal Aviation Administration, 2300 East Devon Avenue, Des Plaines, Illinois.

FOR FURTHER INFORMATION CONTACT: Edward R. Heaps, Air Traffic Division, Airspace Branch, AGL-520, Federal Aviation Administration, 2300 East Devon Avenue, Des Plaines, Illinois 60018, telephone (312) 694-7360.**SUPPLEMENTARY INFORMATION:****Comments Invited**

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to

acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 86-AGL-24." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Rules Docket, FAA, Great Lakes Region, Office of Regional Counsel, 2300 East Devon Avenue, Des Plaines, Illinois, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Information Center, APA-430, 800 Independent Avenue, SW., Washington, DC 20591, or by calling (202) 426-8058. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2, which describes the application procedure.

The Proposal

The FAA is considering an amendment to § 71.181 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to establish the Greenville, Michigan, transition area.

The establishment of a new VOR/DME-A instrument approach procedure requires that the FAA designate airspace to ensure that the procedure will be contained within controlled airspace.

The minimum descent altitude for this procedure may be established below the floor of the 700-foot controlled airspace.

Aeronautical maps and charts will reflect the defined area which will enable other aircraft to circumnavigate the area in order to comply with applicable visual flight rule requirements.

Section 71.181 of Part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6B dated January 2, 1986.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Aviation safety, Transition areas.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

PART 71—[AMENDED]

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983; 14 CFR 11.69).

§ 71.181 [Amended]

2. Section 71.181 is amended as follows:

Greenville, Michigan [NEW]

That airspace extending upward from 700 feet above the surface within a 6 mile radius of Greenville Municipal Airport (Lat. 43°08'30" N., Long. 85°15'15" W.).

Issued in Des Plaines, Illinois, on August 15, 1986.

Teddy W. Burcham,
Manager, Air Traffic Division.

[FR Doc. 86-19451 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-13-M

FEDERAL TRADE COMMISSION**16 CFR Part 13****American Dairy Association****AGENCY:** Federal Trade Commission.**ACTION:** Notice of extension of time for public comment on petition.

SUMMARY: The Federal Trade Commission has extended the time period for public comment on the petition¹ filed by the American Dairy Association to reopen and terminate or modify the consent order issued in Docket No. C-2459 in September 1973 (38 FR 29315, Oct. 24, 1973). The petition to terminate or modify the order was filed on July 9, 1986. The thirty day (30) public comment period ended on August 14, 1986. A 30 day extension of time has been granted by the Commission allowing those interested parties an additional 30 days in which to comment on this matter. The deadline for filing comments with the Commission is September 15, 1986.

DATE: The deadline for filing comments in this matter is September 15, 1986.

ADDRESS: Comments should be sent to the Office of the Secretary, Federal Trade Commission, 6th Street and Pennsylvania Avenue, NW., Washington, DC 20580. Requests for copies of the petition should be sent to the Public Reference Branch, Room 130.

FOR FURTHER INFORMATION CONTACT: Sherri N. Blount, Attorney, Enforcement Division, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC 20580, (202) 376-2891.

By direction of the Commission.

Benjamin I. Berman,
Acting Secretary.

[FR Doc. 86-19447 Filed 8-27-86; 8:45 am]

BILLING CODE 6750-1-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 812

[Docket No. 86N-0072]

Review of Investigational Device Exemptions Regulations; Invitation To Submit Comments, Data, and Information

Correction

In FR Doc. 86-16718, beginning on page 26830, in the issue of Friday, July 25, 1986, make the following correction:

On page 26832, third column, second line from the bottom, after "might" insert "increase benefits attributable to the IDE regulations or that might".

BILLING CODE 1505-01-M

21 CFR Part 882

[Docket No. 83N-0192]

Medical Devices; Invitation for Offers To Submit or To Develop a Performance Standard for Central Nervous System, Fluid Shunt and Components; Reopening of Time for Submission of Offers

Correction

In FR Doc. 86-16719, appearing on page 26718, in the issue of Friday, July 25, 1986, second column, ninth line, after "time" insert "to prepare an offer to submit an existing standard or".

BILLING CODE 1505-1-M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

21 CFR Parts 1301, 1311 and 1312

Registration of Manufacturers, Distributors, Dispensers, Importers and Exporters of Controlled Substances; Importation and Exportation of Controlled Substances; Updating Requirements

AGENCY: Drug Enforcement Administration, Justice.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Diversion Control Amendments which were included in the Comprehensive Crime Control Act of 1984 (Pub. L. 98-473) effective October 12, 1984 amended portions of the Controlled Substances Import and Export Act. Several of these amendments involve the registration and recordkeeping requirements for those who import and export controlled substances. As stated in the legislative history of the Diversion Control Amendments the changes are designed to strengthen the regulatory controls while at the same time providing a workable, flexible regulatory system. The proposed amendments to Parts 1301, 1311 and 1312 of Title 21, Code of Federal Regulations, reflect the statutory changes.

DATE: Written comments and objections must be received on or before September 29, 1986.

ADDRESS: Comments and objections should be submitted in quintuplicate to the Administrator, Drug Enforcement Administration, 1405 I Street NW., Washington, DC 20537, Attention: DEA Federal Register Representative.

FOR FURTHER INFORMATION CONTACT: G. Thomas Gitchel, Chief, Diversion Operations Section, Office of Diversion Control, Drug Enforcement

Administration, 1405 I Street NW., Washington, DC 20537, (202) 633-1216.

SUPPLEMENTARY INFORMATION: Sections 519 through 525 of the Diversion Control Amendments (Pub. L. 98-473) amend various portions of the Controlled Substances Import and Export Act, 21 U.S.C. 951 et seq. These statutory amendments permit the import of the narcotic raw materials poppy straw and concentrate of poppy straw in addition to the previously authorized opium and coca leaves and the importation of controlled substances for exclusively analytical, scientific and research purposes. The amendments also require an import permit or export permit for specifically designated Schedule III non-narcotic controlled substances; require registration for those who export Schedule V controlled substances; impose additional procedural requirements for obtaining export permits; and establish standards and procedures for the denial, revocation and suspension of registrations issued to importers and exporters of controlled substances. The proposed amendments to 21 CFR Parts 1301, 1311 and 1312 reflect these statutory changes.

Section 519 of the Diversion Control Amendments amended several portions of the Controlled Substances Import and Export Act to permit the importation of poppy straw and concentrate of poppy straw for medical, scientific and other legitimate purposes. This is in addition to the previously authorized importation of crude opium and coca leaves. Revisions of §§ 1311.42(b)(6)(i) and 1312.13(a)(1) of 21 CFR are proposed to reflect that change.

Section 520 of the Diversion Control Amendments amends 21 U.S.C. 952(a)(2) to allow for the importation of controlled substances for exclusively scientific, analytical or research purposes. Revision of § 1311.42(b)(6)(iv) of 21 CFR is proposed to reflect that amendment.

Section 521 of the Diversion Control Amendments amends 21 U.S.C. 952(b)(2) to allow the Administrator of DEA to designate by regulation specific Schedule III nonnarcotic controlled substances which would require import permits. This amendment also requires an import permit for the importation of any Schedule IV or V non-narcotic controlled substance that is listed in Schedule I or II of the Convention on Psychotropic Substances, 1971. Revision of §§ 312.11 (a) and (b), 1312.13 (b) and (c), and 1312.18 (a) and (b) of 21 CFR are proposed to reflect the statutory amendment.

Section 522 of the Diversion Control Amendments amended 21 U.S.C. 953(e)

¹ The petition was never published in the *Federal Register*.

to require that documentary proof that importation is not contrary to the laws or regulations of the country of destination and that it is for consumption by that country be provided prior to export of a non-narcotic controlled substances in Schedule III or IV or any controlled substance in Schedule V. This statutory amendment also authorizes the Administrator of DEA to require, by regulation, export permits for specific Schedule III non-narcotic controlled substances. There is also a provision for export permits when a Schedule IV or V non-narcotic controlled substance which is also listed in Schedule I or II of the Convention on Psychotropic Substances is exported. Revisions of §§ 1312.21 (a) and (b), 1312.23, 1312.27 and 1312.28 of 21 CFR reflect this statutory amendment.

A new 21 CFR 1312.30 is proposed for the listing of those specific non-narcotic Schedule III, IV and V controlled substances designated by the Administrator of DEA which require an import or export permit.

Section 523 of the Diversion Control Amendments amends 21 U.S.C. 957(a)(2) by requiring specific registration as an exporter for persons who export Schedule V controlled substances. The previous statute required such registration only for those persons exporting controlled substances in Schedules I, II, III, and IV. 21 CFR 1301.22(a)(10), 1311.02(d) and 1311.21 are proposed for revision to reflect the statutory change.

Section 524 of the Diversion Control Amendments amends 21 U.S.C. 958(b) to limit the import and export of controlled substances by DEA registrants to those controlled substances specified in their registration. In order to make this determination, registrants and applicants for registration will be required to use the Administration Controlled Substances Code Number which is described in 21 CFR 1308.03. Amendments are proposed for §§ 1311.26, 1311.32, 1311.42, 1311.61, 1312.22, and 1312.27 of 21 CFR to reflect this statutory change.

Section 525 of the Diversion Control Amendments amends 21 U.S.C. 958 by outlining the grounds and procedures for denial, suspension or revocation of a registration issued pursuant to 21 U.S.C. 957 and 958. The grounds and procedures were previously cross-referenced from 21 U.S.C. 824. The proposed amendments to 21 CFR 1311.44, 1311.47, and 1311.53 reflect this statutory change.

The Deputy Assistant Administrator hereby certifies that this proposal will have no significant impact upon small entities whose interests must be

considered under the Regulatory Flexibility Act, 5 U.S.C. 601, et seq. These regulatory changes apply to a very small number of individuals and firms who import and export controlled substances. They are already registered with the Drug Enforcement Administration to conduct these activities, and subject to reporting requirements. The changes will not impose new regulatory requirements, merely revise the type of reporting required by these firms with regard to specific substances.

Pursuant to § 3(c)(3) and 3(e)(2)(B) of Executive Order 12291, this proposed action has been submitted for review to the Office of Management and Budget, and approval of that Office has been requested pursuant to the provisions of the Paperwork Reduction Act of 1980, 44 U.S.C. 3501, et seq.

List of Subjects

21 CFR Part 1301

Administrative practice and procedure, Drug traffic control, Security measures.

21 CFR Part 1311

Administrative practice and procedure, Drug traffic control, Exports, Imports.

21 CFR Part 1312

Administrative practice and procedure, Drug traffic control, Exports, Imports, Narcotics, Reporting and recordkeeping requirements.

Accordingly, it is proposed to amend 21 CFR Parts 1301, 1311, and 1312 as follows:

PART 1301—[AMENDED]

1. The authority citation for Part 1301 continues to read as follows:

Authority: 21 U.S.C. 821, 822, 823, 824, 871(b), 875, 877.

2. Section 1301.22 is amended by revising paragraph (a)(10) to read as follows:

§ 1301.22 Separate registration for independent activities.

(a) * * *

(10) Exporting controlled substances; and

* * *

PART 1311—[AMENDED]

1. The authority citation for Part 1311 continues to read as follows:

Authority: 21 U.S.C. 952, 956, 957, 958.

2. Section 1311.02 is amended by revising paragraph (d) to read as follows:

§ 1311.02 Definitions.

* * *

(d) The term "exporter" includes every person who exports, or who acts as an export broker for exportation of, controlled substances listed in any schedule.

* * *

3. Section 1311.21 is revised to read as follows:

§ 1311.21 Persons required to register.

Every person who imports any controlled substance, or who exports any controlled substance, or who proposes to engage in such importation or exportation, shall obtain annually a registration unless exempted by law or pursuant to §§ 1311.24 through 1311.27. Only persons actually engaged in such activities are required to obtain registration; related or affiliated persons who are not engaged in such activities are not required to be registered. (For example, a stockholder or parent corporation importing controlled substances is not required to obtain a registration.)

4. Section 1311.26 is revised to read as follows:

§ 1311.26 Exemption for ocean vessels, commercial aircraft, and certain other entities.

Owners or operators of vessels, aircraft, or other entities described in § 1301.28 of this chapter or in Article 32 of the Single Convention on Narcotic Drugs, 1961, or in Article 14 of the Convention on Psychotropic Substances, 1971, shall not be deemed to import or export any controlled substances purchased and stored in accordance with that section or applicable article.

5. In § 1311.32 paragraphs (e) and (f) are redesignated as paragraphs (f) and (g), paragraph (d) is revised, and new paragraph (e) is added to read as follows:

§ 1311.32 Application forms; contents; signature.

(d) Each application for registration to import or export any controlled substance shall include the Administration Controlled Substance Code Number, as set forth in Part 1308 of this chapter, for each controlled substance whose importation or exportation is to be authorized by such registration.

(e) Registration as an importer or exporter shall not entitle a registrant to import or export any controlled substance not specified in such registration.

* * *

6. Section 1311.42 is amended by revising paragraphs (a), (b)(6)(i) and (b)(6)(iv) to read as follows:

§ 1311.42 Application for importation of Schedule I and II substances.

(a) In the case of an application for registration or reregistration to import a controlled substance listed in Schedule I or II, under the authority of section 1002(a)(2)(B) of the Act (21 U.S.C. 952(a)(2)(B)), the Administrator shall, upon the filing of such application, publish in the **Federal Register** a notice naming the applicant and stating that such applicant has applied to be registered as an importer of a Schedule I or II controlled substance, which substance shall be identified. A copy of said notice shall be mailed simultaneously to each person registered as a bulk manufacturer of that controlled substance and to any other applicant therefor. Any such person may, within 30 days from the date of publication of the notice in the **Federal Register**, file written comments on or objections to the issuance of the proposed registration, and may, at the same time, file a written request for a hearing on the application pursuant to § 1301.54. Notice of the hearing shall be published in the **Federal Register**, and shall be mailed simultaneously to the applicant and to all persons to whom notice of the application was mailed. Any such person may participate in the hearing by filing a notice of appearance in accordance with § 1301.54 of this chapter. Notice of the hearing shall contain a summary of all comments and objections filed regarding the application and shall state the time and place for the hearing, which shall not be less than 30 days after the date of publication of such notice in the **Federal Register**. A hearing pursuant to this section may be consolidated with a hearing held pursuant to § 1311.43 or § 1311.44 of this Part.

(b) * * *

(6) * * *

(i) Such amounts of crude opium, poppy straw, concentrate of poppy straw, and coca leaves as the Administrator finds to be necessary to provide for medical, scientific, or other legitimate purposes; or

(iv) Such limited quantities of any controlled substance listed in Schedule I or II as the Administrator shall find to be necessary for scientific, analytical or research uses; and

7. Section 1311.44 is amended by revising paragraphs (a) and (b), redesignating paragraphs (c) through (e)

as (e) through (g), adding new paragraphs (c) and (d), and revising newly designated paragraphs (f)(1), (f)(2), (g)(1) and (g)(2) as follows:

§ 1311.44 Suspension or revocation of registration.

(a) The Administrator may suspend any registration pursuant to section 1008(d) of the Act (21 U.S.C. 958(d)) for any period of time.

(b) The Administrator may revoke or suspend a registration issued under section 1008(a) of the Act (21 U.S.C. 958(a)) if he determines that such registration is inconsistent with the public interest as defined in that section or with the United States obligations under international treaties, conventions, or protocols in effect on October 12, 1984.

(c) The Administrator may revoke or suspend a registration issued under section 1008(c) of the Act (21 U.S.C. 958(c)) if he determines that such registration is inconsistent with the public interest as defined in that section or with the United States obligations under international treaties, conventions, or protocols in effect on October 12, 1984.

(d) The Administrator may limit the revocation or suspension of a registration to the particular controlled substance, or substances, with respect to which grounds for revocation or suspension exist.

* * * * *

(f) * * *

(1) Deliver all controlled substances in his possession to the nearest office of the Administration pursuant to section 1008(d)(6) of the Act (21 U.S.C. 958(d)(6)); or

(2) Deliver all controlled substances in his possession to authorized agents of the Administration who will either remove the substances or place them under seal as described in section 1008(d)(6) of the Act (21 U.S.C. 958(d)(6)).

(g) * * *

(1) Deliver to the nearest office of the Administration, pursuant to section 1008(d)(6) of the Act (21 U.S.C. 958(d)(6)), all of the particular controlled substance or substances affected by the revocation or suspension which are in his possession; or

(2) Deliver all of such substances to authorized agents of the Administration who will either remove the substances or place them under seal as described in section 1008(d)(6) of the Act (21 U.S.C. 958(d)(6)).

8. Section 1311.47 is revised to read as follows:

§ 1311.47 Order to show cause.

(a) If, upon examination of the application for registration from any applicant and other information gathered by the Administration regarding the applicant, the Administrator is unable to make the determinations required by the applicable provisions of sections 303 and 1008(d) of the Act (21 U.S.C. 823 and 958(d)) to register the applicant, the Administrator shall serve upon the applicant an order to show cause why the application for registration should not be denied, as provided in § 1301.48 of this chapter.

(b) If, upon information gathered by the Administration regarding any registrant, the Administrator determines that the registration of such registrant is subject to suspension or revocation pursuant to section 1008(d) of the Act (21 U.S.C. 958(d)), the Administrator shall serve upon the registrant an order to show cause why the registration should not be revoked or suspended, as provided in § 1301.48 of this chapter.

9. Section 1311.53 is revised to read as follows:

§ 1311.53 Burden of proof.

(a) At any hearing on the granting or denial of an application to be registered to import or export any controlled substance listed in Schedule I or II, the applicant shall have the burden of proving that the requirements for such registration pursuant to sections 1008(a) and (d) of the Act (21 U.S.C. 958 (a) and (d)) are satisfied. Any other person participating in the hearing pursuant to § 1311.42 shall have the burden of proving any propositions of fact or law asserted by him in the hearings.

(b) At any other hearing for the denial of an application for registration, the Administration shall have the burden of proving that the requirements for such registration pursuant to sections 1008 (c) and (d) of the Act (21 U.S.C. 958 (c) and (d)) are not satisfied.

(c) At any hearing for the revocation or suspension of a registration, the Administration shall have the burden of proving that the requirements for such revocation or suspension pursuant to section 1008(d) of the Act (21 U.S.C. 958(d)) are satisfied.

10. Section 1311.61 is revised to read as follows:

§ 1311.61 Modification in registration.

Any registrant may apply to modify his registration to authorize the handling of additional controlled substances or to change his name or address, by submitting a letter of request to the Registration Branch, Drug Enforcement

Administration, Department of Justice, Post Office Box 28083, Central Station, Washington, DC 20005. The letter shall contain the registrant's name, address, and registration number as printed on the Certificate of Registration, and the substances (including the schedule and the Administration Controlled Substances Code Number, as set forth in Part 1308 of this chapter, for those substances) to be added to his registration or the new name and address, and shall be signed in accordance with § 1311.32(f). No fee shall be required to be paid for the modification. The request for modification shall be handled in the same manner as an application for registration. If the modification in registration is approved, the Administrator shall issue a new Certificate of Registration (DEA Form 223) to the registrant, who shall maintain it with the old Certificate of Registration until expiration.

PART 1312—[AMENDED]

1. The authority citation for Part 1312 is revised to read as follows:

Authority: 21 U.S.C. 952, 953, 954, 957, 958.

2. Section 1312.11 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1312.11 Requirement of authorization to import.

(a) No person shall import or cause to be imported any controlled substance listed in Schedule I or II or any narcotic controlled substance listed in Schedule III, IV or V or any non-narcotic controlled substance in Schedule III which the Administrator has specifically designated by regulation in § 1312.30 of this part or any nonnarcotic controlled substance in Schedule IV or V which is also listed in Schedule I or II of the Convention on Psychotropic Substances unless and until such person is properly registered under the Act (or exempt from registration) and the Administrator has issued him a permit to do so pursuant to § 1312.13 of this part.

(b) No person shall import or cause to be imported any non-narcotic controlled substance listed in Schedule III, IV or V, excluding those described in subsection (a) of this section, unless and until such person is properly registered under the Act (or exempt from registration) and has filed an import declaration to do so with the Administrator, pursuant to § 1312.18 of this part.

3. Section 1312.12 is amended by revising the introductory text of paragraph (a) to read as follows:

§ 1312.12 Application for import permit.

(a) An application for a permit to import controlled substances shall be made on DEA Form 357. DEA Form 357 may be obtained from, and filed with, the Drug Enforcement Administration, Diversion Operations Section, 1405 I Street, NW., Washington, DC 20537. Each application shall show the date of execution; the registration number of the importer; a detailed description of each controlled substance to be imported including the name, net quantity, dosage form, National Drug Code (NDC) number, and the Administration Controlled Substances Code Number as set forth in Part 1308 of this chapter; the anhydrous alkaloid content in each controlled substance to be imported, if known; the number and size of packages or containers; the name and quantity of the controlled substance contained in any preparation; and the quantity of any solids being given in kilograms or parts thereof. The application shall also include the following:

4. Section 1312.13 is amended by revising paragraph (a)(1), redesignating paragraphs (b) through (e) as (d) through (g), and adding new paragraphs (b) and (c), to read as follows:

§ 1312.13 Issuance of import permit.

(a) ***

(1) That the substance is crude opium, poppy straw, concentrate of poppy straw, or coca leaves, in such quantity as the Administrator finds necessary to provide for medical, scientific, or other legitimate purposes; ***

(b) The Administrator may require that such non-narcotic controlled substances in Schedule III as he shall designate by regulation in § 1312.30 of this part be imported only pursuant to the issuance of an import permit. The Administrator may authorize the importation of such substances if he finds that the substance is being imported for medical, scientific or other legitimate uses. (c) If a non-narcotic substance listed in Schedule IV or V is also listed in Schedule I or II of the Convention on Psychotropic Substances, 1971, it shall be imported only pursuant to the issuance of an import permit. The Administrator may authorize the importation of such substances if it is found that the substance is being imported for medical, scientific or other legitimate uses.

5. Section 1312.18 is amended by revising paragraphs (a), (b) and (c)(2) to read as follows:

§ 1312.18 Contents of import declaration.

(a) Any non-narcotic controlled substance listed in Schedule III, IV, or V, not subject to the requirement of an import permit pursuant to § 1312.13 (b) or (c) of this chapter, may be imported if that substance is needed for medical, scientific or other legitimate uses in the United States, and will be imported pursuant to a controlled substances import declaration.

(b) Any person registered or authorized to import and desiring to import any non-narcotic controlled substance in Schedules III, IV, or V which is not subject to the requirement of an import permit as described in paragraph (a) of this section, must furnish a controlled substances import declaration on DEA Form 236 to the Drug Enforcement Administration, Diversion Operations Section, 1405 Eye Street, NW., Washington, DC 20537, not later than 15 calendar days prior to the proposed date of importation and distribute four copies of same as hereinafter directed in § 1312.19.

(c) ***

(2) A complete description of the controlled substances to be imported, including name, quantity, dosage form, and the Administration Controlled Substance Code Number as set forth in Part 1308 of this chapter; and

6. Section 1312.21 is amended by revising paragraphs (a) and (b) to read as follows:

§ 1312.21 Requirement of authorization to export.

(a) No person shall in any manner export or cause to be exported from the United States any controlled substance listed in Schedule I or II, or any narcotic substance listed in Schedule III or IV, or any non-narcotic substance in Schedule III which the Administrator has specifically designated by regulation in § 1312.30 of this part or any non-narcotic substance in Schedule IV or V which is also listed in Schedule I or II of the Convention on Psychotropic Substances unless and until such person is properly registered under the Act (or exempted from registration) and the Administrator has issued a permit pursuant to § 1312.23 of this part. (b) No person shall in any manner export or cause to be exported from the United States any non-narcotic controlled substance listed in Schedule III, IV, or V, excluding those described in paragraph (a) of this section, or any narcotic controlled substance listed in Schedule V, unless and until such person is properly registered under the Act (or exempted from registration) and has furnished a special controlled

substance export invoice as provided by section 1003 of the Act (21 U.S.C. 953(e)) to the Administrator pursuant to § 1312.28 of this part.

7. Section 1312.22 is amended by revising paragraph (a) to read as follows:

§ 1312.22 Application for export permit.

(a) An application for a permit to export controlled substances shall be made on DEA Form 161 which may be obtained from, and shall be filed with, the Drug Enforcement Administration, Diversion Operations Section, 1405 I Street, NW., Washington, DC 20537. Each application shall show the exporter's name, address, and registration number; a detailed description of each controlled substance desired to be exported including the name, net quantity, dosage form, National Drug Code (NDC) number, and the Administration Controlled Substance Code Number as set forth in Part 1308 of this chapter, the number and size of packages or containers, the name and quantity of the controlled substance contained in any preparation, and the quantity of any solids being given as kilograms or parts thereof. The application shall include the name, address, and business of the consignee, foreign port of entry, the port of exportation, the approximate date of exportation, the name of the exporting carrier or vessel (if known, or if unknown it should be stated whether shipment will be made by express, freight, or otherwise, exports of controlled substances by mail being prohibited), the date and number, if any, of the supporting foreign import license or permit accompanying the application, and the authority by whom such foreign license or permit was issued. The application shall also contain an affidavit that the packages are labeled in conformance with obligations of the United States under international treaties, conventions, or protocols in effect on May 1, 1971, and that, to the best of affiant's knowledge and belief, the controlled substances therein are to be applied exclusively to medical and scientific uses within the country to which exported, will not be reexported therefrom and that there is an actual need for the controlled substance for medical or scientific uses within such country. In case of exportation of bulk coca leaf alkaloid, the affidavit may state that to the best of knowledge and belief, the controlled substances will be processed within the country to which exported, either for medical or scientific use within that country or for

reexportation in accordance with the laws of that country to another for medical or scientific use within that country. The application shall be signed and dated by the exporter and shall contain the address from which the substances will be shipped for exportation.

8. Section 1312.23 is amended by redesignating paragraphs (b) through (d) as (d) through (f), and adding new paragraphs (b) and (c) to read as follows:

§ 1312.23 Issuance of export permit.

(b) The Administrator may require that such non-narcotic controlled substances in Schedule III as shall be designated by regulation in § 1312.30 of this part be exported only pursuant to the issuance of an export permit. The Administrator may authorize the exportation of such substances if he finds that such exportation is permitted by section 1003(e) of the Act (21 U.S.C. 953(e)).

(c) If a non-narcotic substance listed in Schedule IV or V is also listed in Schedule I or II of the Convention on Psychotropic Substances, it shall be exported only pursuant to the issuance of any export permit. The Administrator may authorize the exportation of such substances if he finds that such exportation is permitted by section 1003(e) of the Act (21 U.S.C. 953(e)).

9. Section 1312.27 is amended by revising paragraphs (a), (b)(2) and (b)(4) to read as follows:

§ 1312.27 Contents of special controlled substance invoice.

(a) A person registered or authorized to export any nonnarcotic controlled substance listed in Schedule III, IV, or V, which is not subject to the requirement of an export permit pursuant to § 1312.23 (b) or (c), or any person registered or authorized to export any controlled substance in Schedule V, must furnish a special controlled substances export invoice on DEA form 236 to the Drug Enforcement Administration, Diversion Operations Section, 1405 I Street, NW., Washington, DC 20537, not less than 15 calendar days prior to the proposed date of exportation, and distribute four copies of same as hereinafter directed in § 1312.28 of this part.

(b) * * *

(2) A complete description of the controlled substances to be exported including the name, quantity, dosage form, and the Administration Controlled

Substances Code Number as set forth in Part 1308 of this chapter; and

(4) The name and address of the consignee in the country of destination, and any registration or license number if the consignee is required to have such numbers either by the country of destination or under United States law. In addition, documentation must be provided to show that:

(i) The consignee is authorized under the laws and regulations of the country of destination to receive the controlled substances and that,

(ii) the substance is being imported for consumption within the importing country to satisfy medical, scientific or other legitimate purposes, and that

(iii) the substance will not be reexported.

10. Section 1312.28 is amended by revising paragraph (d) to read as follows:

§ 1312.28 Distribution of special controlled substance invoice.

(d) Copy 4 shall be forwarded, within the time limit required in § 1312.27 of this part, directly to the Drug Enforcement Administration, Diversion Operations Section, 1405 I Street, NW., Washington, DC 20537. The documentation required by § 1327.27(b)(4) of this part must be attached to this copy.

11. A new § 1312.30 under "Exploration of Controlled Substances" is added to read as follows:

§ 1312.30 Schedule III, IV, and V and non-narcotic controlled substances requiring an import and export permit.

The following Schedule III, IV, and V non-narcotic controlled substances have been specifically designated by the Administrator of the Drug Enforcement Administration as requiring import and export permits pursuant to sections 1002(b)(2) and 1003(e)(3) of the Act (21 U.S.C. 952(b)(2) and 953(e)(3)):

(a) [Reserved]

Dated: January 26, 1986.

Gene R. Haislip,

Deputy Assistant Administrator, Office of Diversion, Drug Enforcement Administration.
[FR Doc. 86-18884 Filed 8-27-86; 8:45 am]

BILLING CODE 4410-09-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary

24 CFR Parts 35, 510, 511, 570, and 590

[Docket No. R-86-1-1291; FR-2243]

Lead-Based Paint Hazard Elimination in Community Development Block Grant, Urban Development Action Grant, Secretary's Fund, Section 312 Rehabilitation Loan, Rental Rehabilitation and Urban Homesteading Programs

Correction

In FR Doc. 86-17470 beginning on page 27793 in the issue of Friday, August 1, 1986, make the following corrections:

1. On page 27798, in the third column, fourth line, "B" should read "D".
2. On page 27799, third column, in Alternative IV, "flaking" was misspelled.
3. On page 27800, second column, in paragraph (a) *CDBG Program*, in the sixth line, "be" should read "by".
4. On page 27801, first column, in the fifth line from the bottom of the page, "very" should read "vary".
5. On page 27802, third column, in the thirteenth line, delete the last "s". And in the same column, in the first complete paragraph, in the eleventh line, between "funds" and "to" insert "y". Also in the third column, in the second line from the bottom of the page, "treated" should read "tested".
6. On page 27805, second column, in amendatory instruction 6., "enclosed" was misspelled, and in the third column, sixth line "availability" was misspelled.
7. On page 27806, first column, in paragraph (ii) *Chewable surfaces*, in the twelfth line "considered" was misspelled.

BILLING CODE 1505-01-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 1

[CC Docket No. 86-309]

Inquiry into Policies to be followed in the Authorization of Common Carrier Facilities to Provide Telecommunications Service off of the Island of Puerto Rico

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; Order Granting Extension of Time for Filing Comments.

SUMMARY: In response to a request by All American Cables and Radio, Inc., the Commission's Common Carrier Bureau has granted a 21-day extension

of time for filing comments on matters discussed in the Commission's Notice of Proposed Rulemaking, Inquiry into Policies to be Followed in the Authorization of Common Carrier Facilities to Provide Telecommunications Service off of the Island of Puerto Rico in CC Docket No. 86-309, published on July 24, 1986, 51 FR 26562. The extension also established a new date for filing reply comments.

DATES: Comments are now due by September 15, 1986, and reply comments by October 6, 1986, respectively.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Dan Spiro (202) 632-7265.

Order

[CC Docket No. 86-309]

In the matter of inquiry into policies to be followed in the authorization of common carrier facilities to provide telecommunications service off of the Island of Puerto Rico.

Adopted: August 15, 1986.

Released: August 20, 1986.

By the Chief, Common Carrier Bureau:

1. On July 18, 1986, the Commission released a Notice of Proposed Rulemaking (NPRM) in the above captioned proceeding, FCC 86-319, 51 FR 26562 (1986). In the NPRM, the Commission set forth certain tentative conclusions regarding the development of its policies and guidelines concerning applications for facilities to provide telecommunications service between the island of Puerto Rico and off-island points. The Commission's decision called for the filing of comments by August 25, 1986, and reply comments by September 15, 1986.

2. On August 5, 1986, All American Cables and Radio, Inc. (AACR), requested an extension of time until October 30, 1986 to file comments in this proceeding. AACR states that this 66-day extension of time is needed to allow it to prepare adequate comments on the wide range of subjects on which the Commission seeks information and analysis.¹ AACR adds that the difficulty

¹ As AACR states, the Commission solicits comment on the following subjects: switching connections; overall access arrangements; the condition of the local network; structural arrangements; application of the Separations Manual and other accounting rules; use and protection of CPNI; rate integration and the associated interstate settlements arrangements; earth station costs, demand and revenues; earth station ownership options; local tax matters; and policy issues.

in complying with the Commission's specified comment period is compounded by the fact that several key AACR personnel will be unavailable during part of this period. AACR also states that the need for its personnel to coordinate among several distant locations renders the preparation of comments in this proceeding particularly time-consuming. AACR further claims that the importance of developing an adequate factual record in the proceeding strongly outweighs any considerations of delay to the introduction of competition in the provision of off-island services.

3. On August 11, 1986, the Puerto Rico Telephone Company (PRTC) filed an opposition to AACR's request. PRTC claims AACR appears to have filed its request in order to delay the introduction of competition in the provision of off-island services. PRTC states that the information solicited in the NPRM will not require a major effort to compile and submit. PRTC argues that the information solicited either is in the possession of PRTC, not AACR, and must be provided by PRTC, or has already been commented upon in great detail by AACR on several prior occasions. PRTC maintains that while its burden in filing comments to the NPRM is much greater than that of AACR, it intends to meet the current deadline for filing comments. PRTC also claims that, in light of available technical mechanisms which would enable it to initiate competition virtually immediately without anti-competitive consequences, any delay in this proceeding would harm the public by further delaying competition in the provision of off-island services.

4. We find that good cause has been shown for granting an extension of time of the comment period. The matters on which interested parties have been requested to comment are broad in scope and complex in nature. It is reasonable to assume that preparation of relevant data and analyses requires a substantial commitment of time on issues of engineering, economics and law. We find that a 21-day extension of time for comments is reasonable under the circumstances. We do not, however, believe that good cause has been shown that the public interest would be served by delaying the proceeding to the full extent requested by AACR.

5. Accordingly, it is ordered that, pursuant to §§ 0.291 and 1.46 of the Commission's Rules and Regulations, 47 CFR 0.291, 1.46 (1985), the request for extension of time by All American Cables and Radio, Inc. is granted to the

extent provided for herein and is otherwise denied.

6. It is further ordered that comments and reply comments to the Notice of Proposed Rulemaking issued in CC Docket No. 86-309 shall be filed on or before September 15, 1986 and October 6, 1986, respectively.

Federal Communications Commission.

Albert Halprin,

Chief, Common Carrier Bureau.

[FR Doc. 86-19469 Filed 8-27-86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 100

[MM Docket 85-32; FCC 86-359]

Broadcast Services; Adoption of Technical Standards for the Direct Broadcast Satellite Service

AGENCY: Federal Communications Commission.

ACTION: Report and order; termination of proceeding.

SUMMARY: Through this action, the Commission declines to adopt mandatory technical standards for the Direct Broadcast Satellite (DBS) Service. The comments received in this proceeding did not provide enough evidence to warrant enactment of mandatory standards. Thus, the Commission believes that voluntary industry standards would more appropriately encourage growth in the DBS service. This action is needed to terminate the above-captioned proceeding.

FOR FURTHER INFORMATION CONTACT: Bernard Gorden, Policy and Rules Division, Mass Media Bureau, (202) 632-9660.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order in MM Docket 85-32, adopted, August 7, 1986, and released August 21, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, N.W., Washington, D.C. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, N.W., Suite 140, Washington, DC 20037.

Summary of Report and Order

1. On February 6, 1985, the Commission adopted a Notice of Proposed Rule Making (Notice) (50 FR 6971, February 19, 1985) suggesting

possible technical standards for the Direct Broadcast Satellite (DBS) service. The Notice, however, expressed reservations about the necessity of any mandatory standards and requested comments on the need for each individual standard, as proposed.

2. The comments received in response to the Notice generally reinforced the Commission's hesitancy expressed in the Notice. The Commission believes that to allow the DBS applicants the best chance to compete with other program delivery services, the industry should be allowed to develop its own operating parameters. Therefore, this action terminates the above-captioned proceeding and declines to enact technical standards for the DBS service.

3. Pursuant to the Regulatory Flexibility Act of 1980, 5 U.S.C. 605, it is certified that this action will not have a significant economic impact on a substantial number of small entities because it simply closes a proceeding and does not adopt significant Rule amendments.

4. The Secretary shall cause a copy of this Report and Order, including the Final Regulatory Flexibility Analysis, to be sent to the Chief Counsel for Advocacy of Small Business Administration, in accordance with section 603(a) of the Regulatory Flexibility Act (Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 601 *et seq.*), (1981).

5. The Report and Order contained herein has been analyzed with respect to the Paperwork Reduction Act of 1980 and found to contain no new or modified form, information collection and/or recordkeeping, labeling, disclosure, or record retention requirements; and will not increase or decrease burden hours imposed on the public.

6. Accordingly, it is ordered, that this proceeding is terminated.

William J. Tricarico,

Secretary.

[FR Doc. 86-19467 Filed 8-27-86; 8:45 am]

BILLING CODE 6712-01-M

GENERAL SERVICES ADMINISTRATION

48 CFR Parts 514 and 552

[GSAR Notice No. 5-139]

General Services Administration Acquisition Regulation

AGENCY: Office of Acquisition Policy, GSA.

ACTION: Notice of Proposed rulemaking.

SUMMARY: This notice invites written comments on a proposed change to the General Services Administration Acquisition Regulation (GSAR) which would incorporate the substance of an approved class deviation which provides for the use of a Minimum Bid Acceptance Period provision that deviates from the provision at FAR 52.214-16. Section 514.270 will be revised to include the prescription for use of the provision and the text of the provision will be included in § 552.214-16. The intended effect is to improve the regulatory coverage and provide uniform procedures for contracting under the regulatory system.

DATE: Comments are due in writing on or before September 29, 1986.

ADDRESS: Requests for a copy of the proposal and comments should be addressed to Ms. Marjorie Ashby, Office of GSA Acquisition Policy and Regulations, 18th and F Streets, NW., Room 4026, Washington, DC 20405 (202) 523-3822.

FOR FURTHER INFORMATION CONTACT: Mr. Richard Sanders, Office of GSA Acquisition Policy and Regulations, 18th and F Streets, NW., Room 4033, Washington, DC 20405 (202) 523-4740.

SUPPLEMENTARY INFORMATION: The Director, Office of Management and Budget (OMB), by memorandum dated December 14, 1984, exempted certain procurement regulations from Executive Order 12291. The exemption applies to this proposed rule. The GSA certifies that this document will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). This proposed rule will incorporate an approved deviation to the FAR provision which is designed to eliminate a problem with nonresponsive bids that resulted when bidders misinterpreted the language in the FAR provision at 52.214-16, Minimum Bid Acceptance Period. Therefore, no regulatory flexibility analysis has been prepared. The rule does not contain information collection requirements which require the approval of OMB under 44 U.S.C. 3501 *et seq.*

List of Subjects in 48 CFR Parts 514 and 552

Government procurement.

Dated: August 12, 1986.

Ida M. Ustad,

Director, Office of GSA Acquisition Policy and Regulations.

[FR Doc. 86-19416 Filed 8-27-86; 8:45 am]

BILLING CODE 6820-61-M

Notices

Federal Register

Vol. 51, No. 167

Thursday, August 28, 1986

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Forms Under Review by Office of Management and Budget

August 22, 1986.

The Department of Agriculture has submitted to OMB for review the following proposals for the collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35) since the last list was published. This list is grouped into new proposals, revisions, extensions, or reinstatements. Each entry contains the following information:

(1) Agency proposing the information collection; (2) Title of the information collection; (3) Form number(s), if applicable; (4) How often the information is requested; (5) Who will be required or asked to report; (6) An estimate of the number of responses; (7) An estimate of the total number of hours needed to provide the information; (8) An indication of whether section 3504(h) of P.L. 96-511 applies; (9) Name and telephone number of the agency contact person.

Questions about the items in the listing should be directed to the agency person named at the end of each entry. Copies of the proposed forms and supporting documents may be obtained from:

Department Clearance Officer, USDA,
OIRM, Room 404-W Admin. Bldg.,
Washington, DC 20250, (202) 447-2118.

Comments on any of the items listed should be submitted directly to:

Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503, Attn: Desk Officer for USDA.

If you anticipate commenting on a submission but find that preparation time will prevent you from doing so promptly, you should advise the OMB Desk Officer of your intent as early as possible.

Extension

- Animal and Plant Health Inspection Service
Report of Violation
PPQ Form 518
On occasion
Individuals or households; Farms; Businesses or other for-profit; Non-profit institutions; Small businesses or organizations; 600 responses; 102 hours; not applicable under 3504(h)
- Foreign Agricultural Service
Request for Vessel Approval; Request for Vessel Approval (Cotton)
Form CCC-105; CCC-105 (Cotton)
On occasion
Businesses or other for-profit; Small businesses or organizations; 700 responses; 1,750 hours; not applicable under 3504(h)
Donald R. Pickett (202) 447-6711
- Food and Nutrition Service
Cash in Lieu of Donated Foods
Recordkeeping; Annually
State or local governments; Non-profit institutions; 184 responses; 60,630 hours; not applicable under 3504(h)
Barbara Batts (703) 756-3671

New

- Federal Crop Insurance Corporation
Contract Continuation Form
FCIC-526
Annually
Individuals or households; Farms; 500 responses; 250 hours; not applicable under 3504(h)
Peter F. Cole (202) 447-3325

Reinstatement

- Food and Nutrition Service
Administrative Review Report (Sponsor) and Civil Rights Racial Data Collection Form for Administrative Review Report (site)
FNS 19-1, 19-2
Annually, Biennially
State or local governments; Federal agencies or employees; Non-profit institutions; Small businesses or organizations; 4,157 responses; 36,027 hours; not applicable under 3504(h)
Al Perna (703) 756-3600
- Food and Nutrition Service
7 CFR Part 253—Food Distribution Program on Indian Reservations
Recordkeeping; Monthly; Quarterly; Semi-annually; Annually
Individuals or households; State or local governments; 175,518 responses; 70,114 hours; not

applicable under 3504(h)
Barbara Batts (703) 756-3660

Revision

- Agricultural Marketing Service
Cotton Classification, Market News Service, and Cotton Fiber and Processing Tests
CN-73-1, CN-110
On occasion; Weekly; Annually; Twice per week
Farms; Businesses or other for-profit; 7,982 responses; 565 hours; not applicable under 3504(h)
Elvin Morris (202) 222-2921
- Food and Nutrition Service
Employment & Training Requirements: Proposed Rule
Quarterly
State or local governments; 1,753 responses; 231,821 hours; not applicable under 3504(h)
Art Foley (703) 756-3389

Donald E. Hulcher,
Acting Departmental Clearance Officer.
[FR Doc. 86-19482 Filed 8-27-86; 8:45 am]
BILLING CODE 3410-01-M

Forest Service

Revised Fee Basis for Livestock Area Special-Use Permits; Regional Forester, Northern Region

AGENCY: Forest Service, USDA.

ACTION: Notice of effective date for revised fee basis.

SUMMARY: The Northern Region, administering those National Forests located in northern Idaho, Montana, North Dakota and northwestern South Dakota, has revised procedures governing determination of rental fees for livestock area special-use permits. How rental fees will be calculated is discussed in this notice. This approved process has been issued as a Regional Supplement to Forest Service Manual Chapter 2720, Special Uses Administration. A complete report has been prepared and is available for review.

SUPPLEMENTARY INFORMATION: The Northern Region, Forest Service, administers approximately 165 permits for livestock areas which provide forage but are not managed as part of a grazing allotment or other authorized use. These uses were formerly known as "special-use pastures". Previous annual rental

fees for this use were based on comparable private land rented for similar purposes, usually through local appraisals made at intervals of about 5 years.

Direction in the Secretary of Agriculture's Regulation 36 CFR 251.57 provides that special use fees will be based on the fair market value of the rights and privileges authorized as determined by appraisal or other sound business management principles.

Fees for livestock area special-use permits for grazing were based on appraisals or market analyses developed on individual National Forests. Such fees closely reflected actual local grazing rental rates. Fees were generally reviewed (reappraised) at 5-year intervals, which often led to differences between fees and actual market conditions in a rapidly changing market. Preparing appraisals on individual National Forests is costly and inefficient particularly when market conditions are similar on several National Forests. Appraisal costs often exceeded the total fees to be collected.

Annual rental fees for livestock area special-use permits which authorize grazing can be established and adjusted annually in the Northern Region without local appraisals. Fees established under the new procedure will more closely reflect broad livestock market conditions. Annual adjustments will more accurately reflect market fluctuations. The proposal assures that fees charged are equitable to the permittee and public as landowners; are based on appraisal data; employ sound business management principles; and are developed through an efficient, cost-effective process.

Revised Procedure

Fees will be based on data from the *Appraisal Report Estimating Fair Market Rental Value of Grazing on Public Lands* prepared for the Forest Service and Bureau of Land Management. That report is dated July 27, 1984, and identified as PB 84-242205. The public lands grazing appraisal is probably the most comprehensive appraisal of grazing rental values made. The majority of private land rentals in the western United States was confirmed and analyzed.

Annual updates will use an index based on data provided annually to Forest Service and Bureau of Land Management for computation of grazing fees. This data is published in an annual report in December by the Crop Reporting Board, Statistical Reporting Service, USDA. The report cites average survey rates in western states for grazing cattle on privately owned

nonirrigated land. These grazing rates published annually by the Statistical Reporting Service are based on their June enumerative surveys, which involve personal confirmation of rates and data through a scientifically designed, statistically valid sampling process.

Copes of the Northern Region's Fee Basis Report—Livestock Area Special-Use Permits, dated May 29, 1986, and approved June 13, 1986, are available for review at Forest Supervisor offices in the Northern Region at the Regional Forester's office, and will be mailed to anyone requesting a copy. Notice of the proposal is being mailed to holders of livestock area special-use permits which authorize grazing.

EFFECTIVE DATE: This revised fee basis will be effective in the Northern Region, Forest Service on October 1, 1986.

Responsible Party

The responsible party is James C. Overbay, Regional Forester, Northern Region, USDA Forest Service, P.O. Box 7669, Missoula, MT 59807.

FOR FURTHER INFORMATION CONTACT: Jim Schoenbaum (406) 329-3601.

Dated: August 21, 1986.

James C. Overbay,
Regional Forester

[FR Doc. 86-19410 Filed 8-27-86; 8:45 am]

BILLING CODE 3410-11-M

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Meeting

AGENCY: Architectural and Transportation Barriers Compliance Board.

ACTION: Notice of ATBCB Meeting.

SUMMARY: The Architectural and Transportation Barriers Compliance Board (ATBCB) has scheduled a meeting to be held from 1:30 to 4:00 PM, on Wednesday, September 10, 1986, to take place in Department of Transportation (DOT) Conference Room 2230, 400 Seventh Street, SW., Washington, DC.

ITEMS ON THE AGENDA: Selection of the ATBCB Executive Director; ATBCB retreat scheduled for November 1986; approval of the preamble to the ATBCB revised Statement of Organization and Procedures for publication; approval of the FY 1987 and 1988 research and technical assistance priorities.

DATE: Wednesday, September 10, 1986—1:30-4:00 PM.

ADDRESS: Department of Transportation Conference Room 2230, 400 Seventh Street SW., Washington, DC.

Committees of the ATBCB will meet on Monday and Tuesday, September 8 and 9, and Wednesday morning, September 10, 1986. The Compliance and Enforcement Committee will meet in Room 1004 of the ATBCB staff offices, 330 C Street SW. All other committees will meet in the Department of Transportation Conference Room 2230, 400 Seventh Street, SW.

FOR FURTHER INFORMATION CONTACT: Larry Allison, Special Assistant for External Affairs (202) 245-1591 (voice or TDD).

Margaret Milner,
Executive Director.

[FR Doc. 86-19411 Filed 8-27-86; 8:45 am]

BILLING CODE 6820-BP-M

DEPARTMENT OF COMMERCE

Economic and Statistical Affairs; Senior Executive Service; Performance Review Board Membership

Below is a listing of individuals who are eligible to serve on the Performance Review Board in accordance with the Economic and Statistical Affairs Senior Executive Service (SES) Performance Appraisal System:

Barbara Bailar
Joseph F. Caponio
John E. Cremeans
Lucy A. Falcone
C.L. Kincannon
Frederick T. Knickerbocker
Charles A. Waite
Allan H. Young
Harry A. Scarr
Carol S. Carson
Jerome A. Mark
Daniel B. Levine
Martin Marimont
Katherine K. Wallman
Kenneth M. Brown

Edward A. McCaw,

Executive Secretary, Economic and Statistical Affairs Performance Review Board.

[FR Doc. 86-19142 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-BS-M

Economic Development Administration

Performance Review Board; Membership

Below is a listing of individuals who are eligible to serve on the Performance Review Board in accordance with the Economic Development Administration

Senior Executive Service (SES) Performance Appraisal System:

Craig Smith
Beverly Milkman
Edward M. Levin
William Dohr
Steve Brennen
John Corrigan
Edward Jeep
Charles Oxley
Mary Ann Baron
George Muller

Jo Ann Sonday-Hersh,

*Executive Secretary, Economic Development
Administration, Performance Review Board.*

[FR Doc. 86-19413 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-BS-M

Foreign-Trade Zones Board

[Docket No. 28-86]

Foreign-Trade Zone 122—Nueces County, TX (Corpus Christi POE); Application for Subzone for Champlin Oil Refinery, Nueces County

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Port of Corpus Christi Authority, grantee of FTZ 122, requesting special-purpose subzone status for the oil refinery complex of the Champlin Petroleum Company, a wholly-owned subsidiary of Union Pacific Corporation, in Nueces County, Texas, adjacent to the Corpus Christi Customs port of entry. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 USC 81a-81u), and the regulations of the Board (15 CFR Part 400). It was formally filed on August 18, 1986.

The 125,000 BPD refinery, which employs 600 persons, covers 905 acres on sites at Highway 37/Corn Products Road and Highway 37/Nueces Bay Blvd. The facilities are used to produce gasoline, middle distillates, coke, and fuel oil. Some 80 percent of the refinery inputs are imported, including crude oil, naphtha and catalysts. The company exports some 11 percent of the refined products.

Zone procedures would exempt the refinery from Customs duty payments on the foreign products used in its exports. On its domestic sales, duties would be deferred, and in some cases reduced. The savings from zone procedures would help the company improve its international competitiveness.

In accordance with the Board's regulations, an examiners committee has been appointed to investigate the

application and report to the Board. The committee consists of: John J. Da Ponte, Jr. (Chairman), Director, Foreign-Trade Zones Staff, U.S. Department of Commerce, Washington, D.C. 20230; Donald Gough, Deputy Assistant Regional Commissioner, U.S. Customs Service, Southwest Region, 5850 San Felipe St., Houston, TX 77057; and Colonel Gordon M. Clarke, District Engineer, U.S. Army Engineer District Galveston, P.O. Box 1229, Galveston, TX 77553.

Comments concerning the proposed subzone are invited in writing from interested parties. They should be addressed to the Board's Executive Secretary at the address below and postmarked on or before September 30, 1986.

A copy of the application is available for public inspection at each of the following locations:

Port Director's Office, U.S. Customs Service, Government Plaza, 400 Mann St., Suite 305, Corpus Christi, TX 78401
Office of the Executive Secretary,
Foreign-Trade Zones Board, U.S.
Department of Commerce, Room 1529,
14th and Pennsylvania NW.,
Washington, DC 20230.

Dated: August 22, 1986.

John J. Da Ponte, Jr.,
Executive Secretary.

[FR Doc. 86-19540 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

[Order No. 336]

Resolution and Order Approving the Application of the Oregon International Port of Coos Bay Commission for a Foreign-Trade Zone in Coos County, OR

Proceedings of the Foreign-Trade
Zones Board, Washington, D.C.

Resolution and order

Pursuant to the authority granted in the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a-81u), the Foreign-Trade Zones Board has adopted the following Resolution and Order:

The Board, having considered the matter, hereby orders:

After consideration of the application of the International Port of Coos Bay Commission, filed with the Foreign-Trade Zones Board (the Board) on August 19, 1985, requesting a grant of authority for establishing, operating, and maintaining a general-purpose foreign-trade zone in Coos County, Oregon,

within the Coos Bay Customs port of entry, the Board, finding that the requirements of the Foreign-Trade Zones Act, as amended, and the Board's regulations are satisfied, and that the proposal is in the public interest, approves the application.

As the proposal involves open space on which buildings may be constructed by parties other than the grantee, this approval includes authority to the grantee to permit the erection of such buildings, pursuant to § 400.815 of the Board's regulations, as are necessary to carry out the zone proposal, providing that prior to its granting such permission it shall have the concurrences of the local District Director of Customs, the U.S. Army District Engineer, when appropriate, and the Board's Executive Secretary. Further, the grantee shall notify the Board's Executive Secretary for approval prior to the commencement of any manufacturing operation within the zone. The Secretary of Commerce, as Chairman and Executive Officer of the Board, is hereby authorized to issue a grant of authority and appropriate Board Order.

Grant; To Establish, Operate, and Maintain a Foreign-Trade Zone in Coos County, Oregon

Whereas, by an Act of Congress approved June 18, 1934, an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes," as amended (19 USC 81a-81u) (the Act), the Foreign-Trade Zones Act (the Board) is authorized and empowered to grant to corporations the privilege of establishing, operating, and maintaining foreign-trade zones in or adjacent to ports of entry under the jurisdiction of the United States;

Whereas, the Oregon International Port of Coos Bay Commission (the Grantee) has made application (filed August 19, 1985, Docket No. 29-85, 50 FR 34524) in due and proper form to the Board, requesting the establishment, operation, and maintenance of a foreign-trade zone in Coos County, Oregon, within the Coos Bay Customs port of entry;

Whereas, notice of said application has been given and published, and full opportunity has been afforded all interested parties to be heard; and,

Whereas, the Board has found that the requirements of the Act and the Board's regulations (15 CFR Part 400) are satisfied;

Now, therefore, the Board hereby grants to the Grantee the privilege of establishing, operating, and maintaining a foreign-trade zone, designated on the records of the Board as Zone No. 132 at the location mentioned above and more particularly described on the maps and drawings accompanying the application in Exhibits IX and X, subject to the provisions, conditions, and restrictions of the Act and the regulations issued thereunder, to the same extent as though the same were fully set forth herein, and also to the following express conditions and limitations:

Operation of the foreign-trade zone shall be commenced by the Grantee within a reasonable time from the date of issuance of the grant, and prior thereto the Grantee shall obtain all necessary permits from Federal, State, and municipal authorities.

The Grantee shall allow officers and employees of the United States free and unrestricted access to and throughout the foreign-trade zone site in the performance of their official duties.

The Grantee shall notify the Executive Secretary of the Board for approval prior to the commencement of any manufacturing operations within the zone.

The grant shall not be construed to relieve the Grantee from liability for injury or damage to the person or property of others occasioned by the construction, operation, or maintenance of said zone, and in no event shall the United States be liable therefor.

The grant is further subject to settlement locally by the District Director of Customs and the Army District Engineer with the Grantee regarding compliance with their respective requirements for the protection of the revenue of the United States and the installation of suitable facilities.

In witness whereof, the Foreign-Trade Zones Board has caused its name to be signed and its seal to be affixed hereto by its Chairman and Executive Officer at Washington, D.C., this 19th day of August 1986, pursuant to Order of the Board.

Foreign-Trade Zones Board.

Malcolm Baldrige,

Chairman and Executive Officer.

Attest:

John J. Da Ponte, Jr.,

Executive Secretary.

[FR Doc. 86-19541 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

International Trade Administration

Replacement Parts for Self-Propelled Bituminous Paving Equipment From Canada; Preliminary Results of Antidumping Duty Administrative Review

AGENCY: International Trade Administration/Import Administration, Department of Commerce.

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: In response to a request from Blaw Knox Construction Equipment Company, the petitioner, and from Fortress Allatt Ltd., a manufacturer/exporter, the Department of Commerce has conducted an administrative review of the antidumping duty finding on replacement parts for self-propelled bituminous paving equipment from Canada. The review covers the four known manufacturers/exporters of this merchandise to the United States and two consecutive periods from September 1, 1981 through August 31, 1983. The review indicates the existence of dumping margins for certain firms during the period.

As a result of the review, the Department has preliminarily determined to assess antidumping duties equal to the calculated differences between United States price and foreign market value.

When company-supplied information was incomplete or no information was received in response to our questionnaire, we used the best information available for assessment and estimated antidumping duties cash deposit purposes.

Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT: Arthur N. DuBois or Robert J. Marenick, Office of Compliance, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230, telephone: (202) 377-2209/5255.

SUPPLEMENTARY INFORMATION:

Background

On January 10, 1984, the Department of Commerce ("the Department") published in the *Federal Register* (49 FR 1263) the final results of its last administrative review of the antidumping finding on replacement parts for self-propelled bituminous paving equipment from Canada (42 FR 44811, September 7, 1977). On January 18, 1984, the Department published a correction to that notice in the *Federal Register* (49 FR 2131). Again on March 5,

1986, the Department published a correction to that notice in the *Federal Register* (51 FR 7600). We began this review of the finding under our old regulations. After the promulgation of our new regulations, Blaw Knox Construction Equipment Company, the petitioner, and Fortress Allatt Ltd., a manufacturer/exporter, requested in accordance with § 353.53a(a) of the Commerce Regulations that we complete the administrative review of the finding. We published the notice of initiation of antidumping duty administrative review on November 27, 1985 (50 FR 48825).

Scope of the Review

Imports covered by the review are shipments of replacement parts for self-propelled bituminous paving equipment. The review covers the four known manufacturers/exporters of this merchandise to the United States and two consecutive periods from September 1, 1981 through August 31, 1983.

Available information indicates that Anvil Manufacturing is no longer in business. Barber-Greene Canada Ltd. reported they have not been in the business of manufacturing replacement parts for self-propelled paving equipment in Canada since the antidumping finding was published. S.F. Tubing reported that all parts shipped to the United States are for original bituminous paving equipment only and not for repair. There are no unliquidated entries for any of the three firms. Therefore, the Department will not cover these three firms in this review or future section 751 reviews. This is not a proposal to revoke the finding with respect to the three firms. Should any of these firms begin exporting the covered merchandise to the United States, we shall treat them as new exporters.

One firm, National Paver Parts, failed to provide adequate responses to our questionnaires for either year. Two firms, General Construction Equipment Manufacturing Co. and Parker Hannifin, reported no shipments in the first period but did not respond to our questionnaire for the second period. For those non-responsive firms the Department used the best information available for assessment and estimated antidumping duties cash deposit purposes. The best information available is either the most recent rate for that firm or the highest rate for responding firms in this review.

United States Price

In calculating United States price, the Department used purchase price or exporter's sales price ("ESP"), both as defined in section 772 of the Tariff Act

of 1930 ("the Tariff Act"), as appropriate.

Purchase price was based on the packed, f.o.b. price to unrelated purchasers in the United States. ESP was based on the packed, f.o.b. warehouse price to unrelated purchasers in the United States. We made adjustments, where applicable, for U.S. and foreign inland freight, U.S. duty, brokerage charges, discounts, commissions to unrelated parties, and in ESP calculations the U.S. subsidiary's selling expenses. We made an addition for Canadian sales tax not collected by reason of the exportation of the merchandise to the United States on sales to end-users. No other adjustments were claimed or allowed.

Foreign Market Value

In calculating foreign market value the Department used home market price as defined in section 773 of the Tariff Act since sufficient quantities of such or similar merchandise were sold in the home market at or above the cost of production to provide a basis of comparison. Home market price was based on the packed, ex-factory price to unrelated customers. We made adjustments, where applicable, for discounts, credit costs, commissions to unrelated parties and indirect selling expenses to offset U.S. selling expenses for ESP calculations. No other adjustments were claimed or allowed.

An allegation was made by the petitioner that sales by Fortress Allatt Ltd. were at prices below their costs of production. We compared the home market sales prices to costs of production and found that the very low percentage of below cost sales did not justify excluding those sales from our calculations.

Preliminary Results of the Review

As a result of our comparison of United States price to foreign market value we preliminarily determine that the following margins exist:

Manufacturer/exporter	Period	Margin (per cent)
Fortress Allatt Ltd. (formerly Babcock Allatt, Ltd.)	9/1/81-8/31/82	0.67
	9/1/82-8/31/83	0.67
General Construction Equipment Manufacturing	9/1/81-8/31/82	10.0
	9/1/82-8/31/83	0.67
National Paver Paris	9/1/81-8/31/82	1.05
	9/1/82-8/31/83	1.05
Parker Hannifin	9/1/81-8/31/82	20.12
	9/1/82-8/31/83	20.12

¹ No shipments during the period.

Interested parties may submit written comments on these preliminary results within 30 days of the date of publication of this notice and may request

disclosure and/or a hearing within 10 days of the date of publication. Any hearing, if requested, will be held 45 days after the date of publication or the first workday thereafter. Any request for an administrative protective order must be made no later than five days after the date of publication. The Department will publish the final results of the administrative review, including the results of its analysis of any such comments or hearing.

The Department shall determine, and the Customs Service shall assess, dumping duties on all appropriate entries. The Department will issue appraisal instructions directly to the Customs Service.

Further, as provided by section 751(a)(2) of the Tariff Act, a cash deposit of estimated antidumping duties based on the above margins will be required for these firms. For any future entries of this merchandise from a new exporter not covered in this or in prior reviews, whose first shipment occurred after August 31, 1983, and who is unrelated to any reviewed firm, a cash deposit of 0.67 percent shall be required. These deposit requirements are effective for all shipments of Canadian replacement parts for self-propelled bituminous paving equipment entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and § 353.53a of the Commerce Regulations (19 CFR 353.53a; 50 FR 32556, August 13, 1985).

Dated: August 20, 1986.

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 86-19536 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

[A-570-504]

Antidumping Duty Order: Petroleum Wax Candles From the People's Republic of China

AGENCY: International Trade Administration, Import Administration, Department of Commerce.

ACTION: Notice.

SUMMARY: In an investigation concerning petroleum wax candles from the People's Republic of China (PRC), the United States Department of Commerce (the Department) and the United States International Trade Commission (the ITC) have determined that petroleum wax candles from the

PRC are being sold at less than fair value and that imports of petroleum wax candles from the PRC are materially injuring a United States industry. Therefore, based on these findings, all unliquidated entries, or warehouse withdrawals, for consumption of petroleum wax candles from the PRC made on or after February 19, 1986, the date on which the Department published its "Preliminary Determination" notice in the *Federal Register*, will be liable for the possible assessment of antidumping duties. Further, a cash deposit of estimated antidumping duties must be made on all such entries, and withdrawals from warehouse, for consumption made on or after the date of publication of this antidumping duty order in the *Federal Register*.

EFFECTIVE DATE: August 28, 1986.

FOR FURTHER INFORMATION CONTACT: Michael Ready or Mary S. Clapp, Office of Investigations, International Trade Administration, United States Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone: (202) 377-2613 or 377-1769, respectively.

SUPPLEMENTARY INFORMATION: The products covered by this investigation are certain scented or unscented petroleum wax candles made from petroleum wax and having fiber or paper-cored wicks. They are sold in the following shapes: tapers, spirals, and straight-sided dinner candles; rounds, columns, pillars, votives; and various wax-filled containers. The products are classified under the *Tariff Schedules of the United States* (TSUS) item 755.25, Candles and Tapers.

In accordance with section 733 of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b), on February 11, 1986, the Department preliminarily determined that there was reason to believe or suspect that petroleum wax candles from the PRC were being sold at less than fair value (51 FR 6016, February 19, 1986). On July 7, 1986, the Department made its final determination that these imports were being sold at less than fair value (51 FR 25085, July 10, 1986).

On August 21, 1986, in accordance with section 735(d) of the Act (19 U.S.C. 1673d(d)), the ITC notified the Department that such importations materially injure a United States industry.

Therefore, in accordance with sections 736 and 751 of the Act (19 U.S.C. 1673e and 1675), the Department directs United States Customs officers to assess, upon further advice by the administering authority pursuant to

section 736(a)(1) of the Act (19 U.S.C. 1673e(a)(1)), antidumping duties equal to the amount by which the foreign market value of the merchandise subject to the order exceeds the United States price for all entries of such merchandise from the PRC. These antidumping duties will be assessed on all unliquidated entries of such merchandise entered, or withdrawn from warehouse, for consumption on or after February 19, 1986, the date on which the Department published its "Preliminary Determination" notice in the *Federal Register*.

On and after the date of publication of this notice, United States Customs officers must require at the same time as importers would normally deposit estimated duties on this merchandise, a cash deposit equal to the estimated weighted-average antidumping duty margin as noted below:

Manufacturers/producers/exporters	Weighted-Average (percent)
China National Native Products and Animal By-Products Import & Export Corporation	54.21
All Others	54.21

This determination constitutes an antidumping duty order with respect to petroleum wax candles from the PRC, pursuant to section 736 of the Act (19 U.S.C. 1673e) and section 353.48 of the Commerce Regulations, (19 CFR 353.48). We have deleted from the Commerce Regulations, Annex I of 19 CFR Part 353, which listed antidumping findings and orders currently in effect. Instead, interested parties may contact the office of Information Services, Import Administration, for copies of the updated list of orders currently in effect.

This notice is published in accordance with section 736 of the Act (19 U.S.C. 1673e) and § 353.48 of the Commerce Regulations (19 CFR 353.48).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 22, 1986.

[FR Doc. 86-19539 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

Tool Steel From the Federal Republic of Germany; Final Results of Changed Circumstances Administrative Review and Revocation of Antidumping Duty Order

AGENCY: International Trade Administration/Import Administration Department of Commerce

ACTION: Notice of final results of changed circumstances administrative

review and revocation of antidumping duty order.

SUMMARY: On May 30, 1986, the Department of Commerce published the preliminary results of its administrative review of the antidumping duty order on tool steel from the Federal Republic of Germany and announced its tentative determination to revoke the order. The review covers the period from March 1, 1986.

We gave interested parties an opportunity to comment on the preliminary results and tentative determination to revoke. We received no comments. We therefore determine that domestic interested parties are no longer interested in continuation of the order and we are revoking the order. In accordance with the petitioner's notification, the revocation will apply to tool steel exported on or after March 1, 1986.

EFFECTIVE DATE: March 1, 1986.

FOR FURTHER INFORMATION CONTACT: Linda L. Pasden or Robert J. Marenick, Office of Compliance, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230; telephone: (202) 377-5255.

SUPPLEMENTARY INFORMATION:

Background

On May 30, 1986, the Department of Commerce ("the Department") published in the *Federal Register* (51 FR 19582) the preliminary results of its changed circumstances administrative review of the antidumping duty order on tool steel from the Federal Republic of Germany (48 FR 33730, July 25, 1983). The Department has now completed that administrative review, in accordance with section 751 of the Tariff Act of 1930 ("the Tariff Act").

Scope of Review

Imports covered by the review are shipments of tool steel currently classifiable under items 606.9100, 606.9105, 606.9110, 606.9300, 606.9400, 606.9505, 606.9512, 606.9514, 606.9520, 606.9525, 606.9535, 606.9542, 606.9544, 606.9546, 606.9548, 607.2800, 607.3200, 607.3405, 607.3420, 607.4600, 607.4800, 607.5405, and 607.5420 of the Tariff Schedules of the United States Annotated. The review covers the period from March 1, 1986.

Final Results of the Review and Revocation

We gave interested parties an opportunity to comment on the preliminary results and tentative determination to revoke. We received no comments. As a result of this review, we determine that the domestic

interested parties are no longer interested in continuation of the antidumping duty order on tool steel from the Federal Republic of Germany and that the order should be revoked on this basis.

Therefore, we are revoking the order on tool steel from the Federal Republic of Germany effective March 1, 1986. We will instruct the Customs Service to proceed with liquidation of all unliquidated entries of this merchandise exported on or after March 1, 1986, without regard to antidumping duties and to refund any estimated antidumping duties collected with respect to those entries.

This notice does not cover unliquidated entries of tool steel from the Federal Republic of Germany which were exported prior to March 1, 1986. The Department will cover any such entries in a separate review, if one is requested.

This administrative review, revocation and notice are in accordance with sections 751 (b) and (c) of the Tariff Act (19 U.S.C. 1675(b), (c)) and §§ 353.53 and 353.54 of the Commerce Regulations (19 CFR 353.53, 353.54).

Dated: August 21, 1986.

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 86-19537 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

Stainless Steel Wire Rods From France; Final Results of Changed Circumstances Administrative Review and Revocation of Antidumping Duty Finding

AGENCY: International Trade Administration/Import Administration, Department of Commerce.

ACTION: Notice of final results of changed circumstances administrative review and revocation of antidumping duty finding.

SUMMARY: On July 9, 1986, the Department of Commerce published the preliminary results of its administrative review of the antidumping duty finding on stainless steel wire rods from France and announced its tentative determination to revoke the finding. The review covers the period from March 1, 1986.

We gave interested parties an opportunity to comment on the preliminary results and tentative determination to revoke. We received no comments. We determine that domestic interested parties are no longer interested in continuation of the finding,

and we are revoking the finding. In accordance with the petitioner's notification, the revocation will apply to all stainless steel wire rods exported on or after March 1, 1986.

EFFECTIVE DATE: March 1, 1986.

FOR FURTHER INFORMATION CONTACT: Linda L. Pasden or Robert J. Marenick, Office of Compliance, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230; telephone: (202) 377-5255.

SUPPLEMENTARY INFORMATION:

Background

On July 9, 1986, the Department of Commerce ("the Department") published in the *Federal Register* (51 FR 24885) the preliminary results of its changed circumstances administrative review of the antidumping duty finding on stainless steel wire rods from France (38 FR 22961, August 28, 1973). The Department has now completed that administrative review, in accordance with section 751 of the Tariff Act of 1930 ("the Tariff Act").

Scope of Review

Imports covered by the review are shipments of stainless alloy steel wire rods, tempered, treated, or partly manufactured, currently classifiable under item 607.3400 of the Tariff Schedules of the United States Annotated. The review covers the period from March 1, 1986.

Final Results of the Review and Revocation

We gave interested parties an opportunity to comment on the preliminary results and tentative determination to revoke. We received no comments. As a result of this review, we determine that the domestic interested parties are no longer interested in continuation of the antidumping duty finding on stainless steel wire rods from France and that the finding should be revoked on this basis.

Therefore, we are revoking the finding on stainless steel wire rods from France effective March 1, 1986. We will instruct the Customs Service to proceed with liquidation of all unliquidated entries of this merchandise exported on or after March 1, 1986, without regard to antidumping duties and to refund any estimated antidumping duties collected with respect to those entries.

This notice does not cover unliquidated entries of stainless steel wire rods from France which were exported prior to March 1, 1986. The Department will cover any such entries in a separate review, if one is requested.

This administrative review, revocation and notice are in accordance with sections 751(b) and (c) of the Tariff Act (19 U.S.C. 1675(b), (c)) and § 353.53 and 353.54 of the Commerce Regulations (19 CFR 353.53, 353.54).

Dated: August 21, 1986.

Joseph A. Spetrini,
Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 86-19538 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

[Case No. OEE-1-86]

La Physique Appliquee Industrie and Les Accessoires Scientifiques; Order Renewing Temporary Denial of Export Privileges

In the matter of: La Physique Appliquee Industrie, 5 Rue de Pacalaire, 38170 Seyssinet-Pariset, France, and Les Accessoires Scientifiques, Varigney, 70800 Conflans-Sur-Lanterne, France, Respondents.

On August 1, 1986, the Office of Export enforcement, International Trade Administration, United States Department of Commerce (Department), pursuant to the provisions of § 388.19 of the Export Administration Regulations, 15 CFR Parts 368-399 (1986), (the Regulations), issued pursuant to the Export Administration Act of 1979, 50 U.S.C. app. Sections 2401-2420 (1982), as amended by the Export Administration Amendments Act of 1985, Pub. L. 99-64, 99 Stat. 120 (July 12, 1985) (the Act), asked the Deputy Assistant Secretary for Export Enforcement to renew an order temporarily denying all United States export privileges to La Physique Appliquee Industrie (LPAI) of Seyssinet-Pariset, France, and Les Accessoires Scientifiques (LAS) of Conflans-Sur-Lanterne, France (hereinafter collectively referred to as respondents). The initial order was issued on April 23, 1986 (51 FR 15955, April 29, 1986) and renewed on June 20, 1986 (51 FR 23256, June 26, 1986).

Section 388.19(d)(2) of the Regulations provides that LPAI or LAS may oppose renewal of the temporary denial order by filing written submissions with the Deputy Assistant Secretary not later than seven days before the expiration of the Order, that is, on or before August 15, 1986.

No such opposition was filed with the Deputy Assistant Secretary by either respondent and no hearing was requested by respondents. Respondents did, however, submit to Department counsel a Memorandum in Opposition to Renewal of Temporary Denial Order on August 15, 1986. I do not consider this to

be in conformity with the requirements of the Regulations that any written opposition should be filed with the Deputy Assistant Secretary for Export Enforcement, because, in connection with requests for the issuance of temporary denial orders and the disposition of such requests, neither the Office of Export Enforcement of the Department nor its counsel is an extension of the Deputy Assistant Secretary or *vice versa*.

While a respondent's failure to properly oppose a Department's request for a temporary denial order or the renewal of a temporary denial order may be adequate grounds to grant the Department's request, I have, nevertheless, considered the merit of respondents' Memorandum in Opposition (a copy of which was provided to my office at my request upon learning that the memorandum was delivered to Department's counsel on August 15), together with the merit of the Department's request for a renewal of the temporary denial order.¹

As a result of my review of the record before me, including respondents' Memorandum in Opposition, I find that the Department has established that a violation is imminent. In this regard, it is important to note that the matter is still under investigation by the Department.

The material facts out of which this proceeding arose are not, in my view, seriously disputed by the parties. What is disputed between the parties is the conclusions to be drawn from those facts. Based on the record before me, I find that the Department's investigation is focusing on serious violations which may have been committed by the respondents. The Department's investigation to date has given it sufficient reason to believe that respondents herein may have participated in a scheme to divert highly sensitive U.S.-origin goods and technology to the Union of Soviet Socialist Republics (U.S.S.R.) and other Eastern bloc countries. Further, there is sufficient reason to believe that respondents may continue to seek to obtain U.S.-origin goods and technology which they may divert to the U.S.S.R. or other Eastern bloc countries.

The evidence presented to me established a very strong basis for the Department's belief that: (1) On at least

¹It should be clear that consideration of respondents' Memorandum in Opposition in the instant case is not intended to establish any precedents that delivery of pleadings or other papers to the Department's counsel would satisfy the requirements to file such documents with the Deputy Assistant Secretary as specified under the Regulations.

two occasions, LPAI, acting in response to an order from LAS, purchased U.S.-origin goods; (2) The ultimate destination of those U.S.-origin goods was intended to be the U.S.S.R.; (3) If an export license or reexport authorization request had been requested by either respondent identifying the U.S.S.R. as the country of ultimate destination, which it was not, the Department would not have authorized that export or reexport; (4) Further, LAS currently has a contract with the U.S.S.R. which calls for LAS to supply equipment of a similar type and nature to equipment in the two transactions which are the principal focus of the Department's investigation; (5) Again, export or reexport of this equipment to the U.S.S.R. would not be authorized by the Department; (6) That the respondents have had substantial business experience in import and export transactions involving scientific and technical products; (7) Respondent LAS was a consignee of licensable U.S. technology and commodities under a distribution license in 1978 and, as such, the respondent would have had considerable experience handling U.S. controlled commodities and reason to know the requirements of the Regulations; (8) In 1977, respondent LAS, in a statement made by its President in connection with a distribution license application, expressly stated that LAS would "comply with the U.S. Export Administration Regulations", including the provision pertaining to the general distribution license procedure; (9) The respondents knew or had reason to know the requirements of the Regulations at the time of the occurrence of the alleged illegal reexportation here in question; (10) A violation may be likely to occur in the future unless action is taken to prevent respondents from gaining access to U.S.-origin goods and technical data.

In their opposition, respondents contend that the technology involved in the instant case is not significant because it is not technologically sophisticated or that it is of a much lower level than claimed by the Department. The technological sophistication of a commodity may be relevant but is not, in and of itself, indicative or dispositive of the question whether a violation is or is not "significant" within the meaning of an export control violation under the Regulations. Other factors relevant to the assessment of the significance of a violation include, but not limited to: the monetary value and nature of the technology; the scope and complexity of the facts involved in the alleged

violation or the suspected event which could give rise to a violation; and, whether there is a requirement for a U.S. export license or reexport authorization and a presumption of approval or denial of an application, if one were submitted.

Therefore, based on the record before me, I find that renewal of the order temporarily denying export privileges to respondents is necessary in order to prevent an imminent violation and to give notice to companies in the United States and abroad to cease dealing with respondents in goods and technical data subject to the Act and the Regulations in order to reduce the substantial likelihood that respondents will continue to engage in activities which are in violation of the Act and the Regulations.

Accordingly, it is hereby ordered:

I. All outstanding validated export licenses in which any respondent appears or participates, in any manner or capacity, are hereby revoked and shall be returned forthwith to the Office of Export Licensing for cancellation.

II. The respondents, their successors or assignees, officers, partners, representatives, agents, and employees hereby are denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported or to be exported from the United States in whole or in part, or that are otherwise subject to the Regulations. Without limiting the generality of the foregoing, participation, either in the United States or abroad, shall include participation, directly or indirectly, in any manner or capacity: (a) As a party or as a representative of a party to any export license application submitted to the Department, (b) in preparing or filing with the Department any export license application or reexport authorization, or any document to be submitted therewith, (c) in obtaining or using any validated or general export license or other export control document, (d) in carrying on negotiations with respect to, or in receiving, ordering, buying, selling, delivering, storing, using or disposing of, in whole or in part, any commodities or technical data exported from the United States, or to be exported, and (e) in financing, forwarding, transporting, or other servicing of such commodities or technical data. Such denial of export privileges shall extend only to those commodities and technical data which are subject to the Act and the Regulations.

III. After notice and opportunity for comment, such denial may be made applicable to any person, firm,

corporation, or business organization with which any respondent is now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of trade or related services.

IV. No person, firm, corporation, partnership or other business organization, whether in the United States or elsewhere, without prior disclosure to and specific authorization from the Office of Export Licensing shall, with respect to U.S.-origin commodities and technical data, do any of the following acts, directly or indirectly, or carry on negotiations with respect thereto, in any manner or capacity, on behalf of or in any association with any respondent or any related party, or whereby any respondent or any related party may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly: (a) apply for, obtain, transfer, or use any license, Shipper's Export Declaration, bill of lading, or other export control document relating to any export, reexport, transshipment, or diversion of any commodity or technical data exported in whole or in part, or to be exported by, to, or for any respondent or any related party denied export privileges; or (b) order, buy, receive, use, sell, deliver, store, dispose of, forward, transport, finance, or otherwise service or participate in any export, reexport, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States.

V. In accordance with the provisions of § 388.19(e) of the Regulations, any respondent may, at any time, appeal this temporary denial order by filing with the Office of Administrative Law Judges, U.S. Department of Commerce, Room H-6716, 14th Street and Constitution Avenue, NW., Washington, DC 20230, a full written statement in support of the appeal.

VI. This order shall become effective on August 21, 1986 and shall remain in effect for 60 days.

VII. In accordance with the provisions of § 388.19(d) of the Regulations, the Department may seek renewal of this temporary denial order by filing a written request not later than 20 days before the expiration date. Any respondent may oppose any request to renew this temporary denial order by filing a written submission with the Deputy Assistant Secretary for Export Enforcement, which must be received not later than seven days before the expiration date of this order.

A copy of this order renewing the temporary denial of export privileges

shall be served upon the respondents and published in the **Federal Register**.

Dated: August 18, 1986.

Theodore W. Wu,

Deputy Assistant Secretary for Export Enforcement.

[FR Doc. 86-19527 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DS-M

Patent and Trademark Office

Interim Protection for Mask Works of Foreign Nationals

AGENCY: Patent and Trademark Office, Commerce.

ACTION: Extension and issuance of interim order.

SUMMARY: On March 24, 1986, comments on existing interim orders were requested by a Notice of Initiation of Proceedings published at 51 FR 10073. Following the submission of comments, the Commissioner decided to extend certain of the previously granted interim orders until September 12, 1986, to hold a public hearing on the further extension of all of the existing orders. The hearing would include discussion of the possible issuance of a Presidential Proclamation for any of those countries. 51 FR 18352 (May 19, 1986). Comments were received from, or on behalf of, all countries to which orders had been issued and from the Semiconductor Industry Association (SIA). On July 9, 1986, a public hearing was held to permit the parties to present further comments. The witnesses represented the Electronic Industries Association of Japan (EIAJ), Sweden, the European Communities (EC), and the SIA. The representatives of Sweden and the EC urged that the existing orders be extended. Similar written representatives were received from Canada and Australia. The SIA supported the extension of these orders. The representative of the EC requested that orders be issued for Spain and Portugal as new members of the EC. The SIA did not oppose these orders. The representatives of the EIAJ argued strongly that Japan was entitled to a Presidential Proclamation under 17 USC 902. The SIA opposed this position and urged that the interim order for Japan be extended. Based upon the record of the proceedings, I have determined that all existing interim orders should be extended until November 8, 1987; that interim orders should be issued for Spain and Portugal; and that the interim order for Japan will be extended pending the President's final determination on the issuance of a Proclamation.

DATES: Effective Date: The effective date for the newly issued interim orders for Spain and Portugal shall be June 26, 1986.

Termination Date: These orders shall terminate on November 8, 1987.

FOR FURTHER INFORMATION CONTACT:

Michael K. Kirk, Assistant Commissioner for External Affairs, by telephone at (703) 557-3065 or by mail marked to his attention and addressed to Commissioner of Patents and Trademarks, Box 4, Washington, DC 20231.

SUPPLEMENTARY INFORMATION: On March 24, 1986, a Notice of Initiation of Proceedings was published at 51 FR 10073 requesting comments on the interim orders previously issued for certain foreign countries under the provisions of the Semiconductor Chip Protection Act of 1984 (SCPA), 17 U.S.C. 914. Information on progress in those countries toward establishing compatible regimes of legislation for the protection of mask works or semiconductor chip designs was requested. In response to that request, comments were received from Japan, Sweden, Australia, Canada, the United Kingdom, the Commission of the European Communities (EC) and the Semiconductor Industry Association (SIA). Based upon the comments received, and in consideration of the developments in the World Intellectual Property Organization leading toward a new multinational treaty for chip protection, it was determined that it was premature to take any final action on the existing orders. However, as the interim orders for Japan, Sweden, Canada and Australia were soon to expire, and to avoid any gaps in the availability of protection, those orders were extended until September 12, 1986, the expiration date for the orders issued for the Member States of the EC.

To secure further information on progress, and to permit the parties to articulate publicly their views on the issues, a public hearing was scheduled for July 9, 1986. 51 FR 18352 (May 19, 1986). Requests to testify were received from the Commission of the European Communities, the Government of Sweden, the Electronic Industries Association of Japan (EIAJ) and the SIA.

At the July 9 hearing, the representatives of the EIAJ summarized the present situation in Japan arguing that "[i]f Section 902 of the SCPA has any meaning or significance, Japan is now entitled to a Presidential Proclamation under that provision." The EIAJ argued that Japan has enacted a *sui generis* law that is substantially similar to the SCPA, that the law has

been "on the books" since May of 1985, in force since January 1, 1986, and that U.S. nationals receive national treatment under that law.

The SIA has raised several objections to the issuance of a Presidential Proclamation for Japan. First, in Japan, the existence of protection is contingent upon registration, and, therefore, protection is subject to Governmental discretion. Second, the registration system is new and its operation not yet fully understood. Third, the lack of protection prior to registration, subject only to the right to seek a reasonable royalty, is insufficient to deter piracy.

In response, the EIAJ replied that registration can only be denied for a limited number of reasons clearly specified in regulations. EIAJ further stated that six-months' experience should be sufficient to determine the effectiveness of the registration system. EIAJ also alleged that in the Japanese context, the "reasonable royalties that might be assessed under such circumstances could be prohibitively high, and the pirate could be enjoined from marketing chips and forced to pay damages for chips manufactured prior to registration."

The representatives of Sweden discussed the support of Swedish industry for the passage of a chip protection law and the progress toward legislation in Sweden. The representative of the Federation of Swedish Industries emphasized that Swedish industry strongly supports the prompt establishment of a legal regime for the protection of chips in Sweden. The representative of the Government of Sweden stated that he expected that chip protection legislation would be passed by the Parliament by early 1987. He explained that the protection afforded would be generally similar to that under the SCPA, but that there would be no provisions for notice and registration since that might conflict with the Berne Convention for the Protection of Literary and Artistic Works. He further stated that it was not yet decided whether the new Swedish legislation would be a separate law or a part of the copyright law. The SIA stated their belief that the regime contemplated in Sweden "would be quite compatible with our own."

The representative of the EC emphasized the European industry strongly supports the efforts toward achieving a directive on the protection of integrated circuits. In the EC system, once a directive is adopted by the European Parliament, it is binding on the Member States. In the present case the aim of the directive will be to require

Member States to adopt legislation for the protection of chips by November of 1987. It is expected that the directive will be adopted in September and that is:

Defines what should be protected; who should benefit from the protection; what maximum formalities may be required, and what are the conditions for the subsistence of protection. It specifies the acts to be considered infringements. It defines the conditions for reverse engineering. It also provides for the exception of innocent infringement. And, it sets time limits on the availability of the protection.

With respect to the EC, the SIA observed that the "effect to develop a common system that would apply to all member countries of the Community is an important and a desirable objective." The SIA then went on to note some areas of concern, including the form of notice to be used in marking a chip, and the scope of the provisions relating to reverse engineering.

With respect to other countries from whom only written submissions were received, the SIA noted that in both Canada and Australia the issue of special legislation for the protection of semiconductor chips was receiving increasing attention.

In its written submission, the Government of Canada called attention to the February 7, 1986, announcement that "mask works fixed in semiconductor chips will be protected under the Copyright Act but will be distinguished from traditional works." The announcement further points out that "[a]lthough chip legislation will likely be *sui generis* in nature, it is linked to changes in the Copyright Act as a whole."

In its written submission, the Government of Australia noted that the question of the appropriate regime for mask works protection is being examined in Australia and that "it is not possible to say that any consensus has emerged as to the form which any new type of legal protection of mask works—if considered necessary—should take in Australia, there does appear to be a general view within industry that existing copyright and industrial design laws are not clearly appropriate to mask works." In any case, the Government of Australia believes that the Australian copyright law presently provides protection for mask works.

In no part of this proceeding has there been any allegation of misappropriation of mask works in any of the countries to which interim orders have been extended.

Based upon the evidence in the record of this proceeding, I concluded that, to

promote international comity in the protection of mask works, all the existing interim orders should be extended until November 8, 1987, in view of the substantial and rapid progress that has taken place. This extension will include Japan so that protection under section 914 will continue until the President makes a final determination under 17 U.S.C. 902.

I also conclude that the issuance of interim orders for Spain and Portugal, as new Member States of the EC, will promote international comity in the protection of mask works. As illustrated in the preceding discussion, the criteria for the issuance of those interim orders has been fulfilled. The effective dates for those orders shall be June 26, 1986, the date upon which the request for interim orders for Spain and Portugal was received from the EC.

Order Extending Interim Protection Under Chapter 9, Title 17, United States Code, to Nationals, Domiciliaries, and Sovereign Authorities of Portugal

In accordance with the authority vested in me by Amendment 1 to Department Organization Order 10-14 regarding 17 U.S.C. 914, and based upon the records of this proceeding commenced on March 24, 1986, I find that: Portugal is and has, since January 1, 1986, been making good faith efforts toward providing effective protection for mask works in compliance with 17 U.S.C. 902(a)(2); nationals, domiciliaries, and sovereign authorities of Portugal and persons controlled by them are not engaged in the misappropriation or unauthorized distribution or commercial exploitation of mask works; and, the issuance of this order will promote international comity with respect to the protection of mask works.

Accordingly, nationals, domiciliaries, and sovereign authorities of Portugal are entitled to protection under chapter 9 of Title 17 of the United States Code subject to compliance with all formalities specified therein. The effective date of this order shall be June 26, 1986, and this order shall terminate on November 8, 1987.

Order Extending Interim Protection Under Chapter 9, Title 17, United States Code, to Nationals, Domiciliaries, and Sovereign Authorities of Spain

In accordance with the authority vested in me by Amendment 1 to Department Organization Order 10-14 regarding 17 U.S.C. 914, and based upon the records of this proceeding commenced on March 24, 1986, I find that: Spain is and has, since January 1,

1986, been making good faith efforts toward providing effective protection for mask works in compliance with 17 U.S.C. 902(a)(2); nationals, domiciliaries, and sovereign authorities of Spain and persons controlled by them are not engaged in the misappropriation or unauthorized distribution or commercial exploitation of mask works; and, the issuance of this order will promote international comity with respect to the protection of mask works.

Accordingly, nationals, domiciliaries, and sovereign authorities of Spain are entitled to protection under chapter 9 of Title 17 of the United States Code subject to compliance with all formalities specified therein. The effective date of this order shall be June 26, 1986, and this order shall terminate on November 8, 1987.

Extension of Expiration Date for Certain Previously Granted Interim Orders Under Chapter 9, Title 17, United States Code

In accordance with the authority vested in me by Amendment 1 to Department Organization Order 10-14 regarding 17 U.S.C. 914, and based upon the records of this proceeding commenced on March 24, 1986, I find that: Japan, Sweden, Australia, Canada, Belgium, Denmark, France, the Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg and the Netherlands are making and are continuing to make, good faith efforts toward providing effective protection for mask works in compliance with 17 U.S.C. 902(a)(2); nationals, domiciliaries, and sovereign authorities of those countries and persons controlled by them are not engaged in the misappropriation or unauthorized distribution or commercial exploitation of mask works; and, the extension of the expiration date for the interim orders for those countries will promote international comity with respect to the protection of mask works.

Accordingly, existing interim orders for Japan, Sweden, Australia, Canada, Belgium, Denmark, France, the Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg and the Netherlands are extended and shall terminate on November 8, 1987.

Dated: August 21, 1986.

Donald W. Peterson,
Deputy Commissioner of Patents and Trademarks.

[FR Doc. 86-19479 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-16-M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Establishing Import Limits for Certain Cotton and Man-Made Fiber Textile Products Produced or Manufactured in the People's Republic of China

August 25, 1986.

The Chairman of the Committee for the Implementation of Textile Agreements (CITA), under the authority contained in E.O. 11651 of March 3, 1972, as amended, has issued the directive published below to the Commissioner of Customs to be effective on August 28, 1986. For further information contact Diana Solkoff, International Trade Specialist, Office of Textile and Apparel, U.S. Department of Commerce, (202) 377-4212.

Background

On June 20, 1986, a notice was published in the *Federal Register* (51 FR 22539), which established import restraint limits for cotton and man-made fiber textile products in Category 300/301 (combed and carded cotton yarns) and Category 659-S (man-made fiber swimwear—only TSUSA Numbers 381.2340, 381.3170, 381.9100, 381.9570, 384.1920, 384.2339, 384.8300, 384.8400, 384.9353), produced or manufactured in China and exported to the United States during the ninety-day period which began on May 30, 1986 and extends through August 27, 1986. The notice also stated that the Government of the People's Republic of China is obligated under the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement, effected by exchange of notes dated August 19, 1983, as amended, if no mutually satisfactory solution is reached on levels for these categories during consultations, to limit its exports during the twelve-month period immediately following the ninety-day consultation period to 4,095,573 pounds (Category 300/301) and 711,703 pounds (Category 659-S).

No solution has been reached in consultations on mutually satisfactory limits for these categories. The United States Government has decided, therefore, to control imports of cotton and man-made fiber textile products in Categories 300/301 and 659-S, exported during the twelve-month period beginning on August 28, 1986 at the levels described above. The United States remains committed to finding a solution concerning these categories. Should such a solution be reached in consultations with the Government of the People's Republic of China, further

notice will be published in the *Federal Register*.

In the event the limits established for the ninety-day period have been exceeded, such excess amount, if allowed to enter, will be charged to the levels established for the designated twelve-month period.

A description of the textile categories in terms of T.S.U.S.A. numbers was published in the *Federal Register* on December 13, 1982 (47 FR 55709), as amended on April 7, 1983 (48 FR 15175), May 3, 1983 (48 FR 19924), December 14, 1983 (48 FR 55607), December 30, 1983 (48 FR 57584), April 4, 1984 (49 FR 13397), June 28, 1984 (49 FR 26622), July 16, 1984 (49 FR 28754), November 9, 1984 (49 FR 44782), and in Statistical Headnote 5, Schedule 3 of the Tariff Schedules of the United States Annotated (1986).

Ronald I. Levin,

*Acting Chairman, Committee for the
Implementation of Textile Agreements.*

August 25, 1986.

Committee for the Implementation of Textile Agreements

Commissioner of Customs,
*Department of the Treasury, Washington,
D.C. 20229*

Dear Mr. Commissioner: Under the terms of Section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), and the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973, as extended on December 15, 1977, December 22, 1981 and July 31, 1986; pursuant to the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement, effected by exchange of notes dated August 19, 1983, as amended, between the Governments of the United States and the People's Republic of China; and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on August 28, 1986, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton and man-made fiber textile products in Categories 300/301 and 659-S,¹ produced or manufactured in the People's Republic of China and exported during the twelve-month period which begins on August 28, 1986 and extends through August 27, 1987, in excess of the following levels of restraint:

Category	12-month restraint levels ¹
300/301	4,095,573 pounds.
659-S	711,703 pounds.

¹ The limits have not been adjusted to account for any imports exported after August 27, 1986.

Textile products in Categories 300/301 and 659-S which are in excess of the ninety-day

¹ In Category 659, only TSUSA numbers 381.2340, 381.3170, 381.9100, 381.9570, 384.1920, 384.2339, 384.8300, 384.8400, 384.9353).

limits previously established shall be subject to this directive.

A description of the textile categories in terms of T.S.U.S.A. numbers was published in the *Federal Register* on December 13, 1982 (47 FR 55709), as amended on April 7, 1983 (48 FR 15175), May 3, 1983 (48 FR 19924), December 14, 1983 (48 FR 55607), December 30, 1983 (48 FR 57584), April 4, 1984 (49 FR 13397), June 28, 1984 (49 FR 26622), July 16, 1984 (49 FR 28754), November 9, 1984 (49 FR 44782), and in Statistical Headnote 5, Schedule 3 of the Tariff Schedules of the United States Annotated (1986).

In carrying out the above directions, the Commissioner of Customs should construe entry into the United States for consumption to include entry for consumption into the Commonwealth of Puerto Rico.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

Ronald I. Levin,

*Acting Chairman, Committee for the
Implementation of Textile Agreements.*

[FR Doc. 86-19528 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DR-M

Adjusting Import Charges for Certain Cotton Textile Products Produced or Manufactured in the People's Republic of China

August 25, 1986.

The Chairman of the Committee for the Implementation of Textile Agreements (CITA), under the authority contained in E.O. 11651 of March 3, 1972, as amended, has issued the directive published below to the Commissioner of Customs to be effective on August 29, 1986. For further information contact Diana Solkoff, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377-4212.

Background

On December 30, 1985 a notice was published in the *Federal Register* (50 FR 53182), which announced the import restraint limits for certain cotton, wool and man-made fiber textile products, including cotton skirts in Category 342, produced or manufactured in China and exported during the twelve-month period which began on January 1, 1986 and extends through December 31, 1986. CITA has determined in a data investigation concerning this category that 15,512 dozen of 1985 exports, currently charged to the 1986 limit, should be charged to the 1985 limit. Accordingly, in the letter which follows this notice, the Chairman of CITA directs the Commissioner of Customs to deduct this amount from the import

charges made to the current year limit and charge them to the 1985 limit.

A description of the textile categories in terms of T.S.U.S.A. numbers was published in the *Federal Register* on December 13, 1982 (47 FR 55709), as amended on April 7, 1983 (48 FR 15175), May 3, 1983 (48 FR 19924), December 14, 1983, (48 FR 55607), December 30, 1983 (48 FR 57584), April 4, 1984 (49 FR 13397), June 28, 1984 (49 FR 26622), July 16, 1984 (49 FR 28754), November 9, 1984 (49 FR 44782), and in Statistical Headnote 5, Schedule 3 of the Tariff Schedules of the United States Annotated (1986).

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

August 25, 1986.

Committee for the Implementation of Textile Agreements

Commissioner of Customs,
Department of the Treasury, Washington,
D.C. 20229

Dear Mr. Commissioner: To facilitate implementation of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of August 19, 1983, as amended, between the Governments of the United States and the People's Republic of China, I request that, effective on August 29, 1986, you deduct 15,512 dozen from charges made to the restraint limit established in the directive of December 24, 1985 for cotton textile products in Category 342, produced or manufactured in China and exported during the agreement year which began on January 1, 1986 and extends through December 31, 1986. This same amount should be charged to the limit established for Category 342 during the agreement year which began on January 1, 1985 and extended through December 31, 1985.

The Committee for the Implementation of Textile Agreements has determined that this action falls within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553.

Sincerely,

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 86-19535 Filed 8-27-86; 8:45 am]

BILLING CODE 3510-DR-M

announces its decision to implement the proposed actions discussed in Draft and Final Supplemental Environmental Impact Statements (DSEIS and FSEIS) prepared for the proposed Surface Action Group (SAG) homeport facility. These statements were prepared to document changes to the proposed homeport facility to be located on Staten Island, New York.

The Navy's Record of Decision to construct this Navy homeport for seven ships in Staten Island appeared in the March 21, 1985 *Federal Register*.

The decision to build the SAG homeport at Staten Island constitutes a crucial component of the Navy's implementation of the Strategic Homeporting Concept of 1982. That concept is now a cornerstone of our nation's maritime defense strategy and represents the Navy's conclusion that the present ship homeporting structure is militarily and strategically deficient particularly as the Fleet builds to its projected level of over 600 ships. As part of our attempt to rectify this deficiency, we determined that homeporting a SAG in the northeastern United States was essential. The decision to build the SAG homeport at Staten Island was made after careful examination of all reasonable alternatives, including the "no-action" alternative. Our decision represents the conclusion that, on balance, locating the BB SAG homeport at Staten Island is the optimum approach to our strategic homeporting needs in the northeastern United States.

The proposed actions, which modify planned facility development as documented in the original DEIS and FEIS and which now the Navy plans to implement, include the following:

- Land acquisition including 27 privately owned parcels at the Stapleton waterfront site raising the total upland area to 40 acres.
- Front Street will be relocated to the west adjacent to the Staten Island Rapid Transit right-of-way.
- Delete construction of the second pier; delete a portion of the fill requirement; modify quaywall construction and other minor changes.
- Changes in land and facility use at Fort Wadsworth to yield building space of approximately 552,000 square feet.
- Transfer of about 30 acres of land including Battery Weed and the promenade of Fort Tompkins to Gateway National Recreation Area (NRA). The Navy will retain Fort Tompkins itself and waterfront land along the southern boundary (beach area) for operational and personnel support requirements.
- Planned removal of certain batteries at Fort Wadsworth in conjunction with

site development for Naval family housing construction.

The Navy proposes to construct, in two increments, approximately 550 family housing units at Fort Wadsworth. Also up to 800 units will be constructed at the South Beach (Ocean Breeze) housing site. Any remaining housing requirement is expected to be satisfied within the existing market.

The impacts of these proposed actions were presented in the DSEIS which was published in December 1985. Public hearings were held in Staten Island, Manhattan, and Brooklyn in New York and at Monmouth College in New Jersey. Over 600 commentators provided approximately 1,400 comments on various aspects of the proposed actions. Comments concerning nuclear weapons, economic and social priorities, and Gateway NRA impacts constituted approximately 60% of all concerns raised. Other concerns included fiscal impacts and employment, safety and security issues, as well as housing and ecological impacts, particularly aquatic impacts.

Responses to comment and concerns were documented in the FSEIS which was filed in March 1986. Copies of both the DSEIS and FSEIS were mailed to over 1,200 recipients including Federal, state, local officials and agencies, citizen groups and members of the general public. The most commonly expressed concern was the issue of nuclear weapons. For national security reasons the Navy will neither confirm nor deny the presence or absence of nuclear weapons at any specific location.

With regard to economic and social priorities, comments received generally cited the needs of the poor, the homeless and those who live in unsuitable housing. The Navy's response acknowledged these concerns as important issues warranting appropriate governmental attention. The resolution of competing priorities in the Federal budget and the authorization of funds are the responsibility of Congress. Similarly, decisions regarding Municipal budgets are the responsibility of local elected officials.

The majority of comments about Gateway NRA dealt with the Navy's proposed use of Fort Wadsworth. A few spokesmen advocated the Navy abandon its plans to use any of the Fort since Congress had earmarked this property for incorporation into the Gateway NRA. Paramount to the Gateway NRA concept was the excessing of the entire coastline of the Fort including Battery Weed, Fort Tompkins and the beach area on the

DEPARTMENT OF DEFENSE

Department of the Navy

Record of Decision To Implement Certain Actions Associated With the Homeporting of a Surface Action Group at Stapleton, Staten Island, NY

Pursuant to section 102(2)(c) of the National Environmental Policy Act (NEPA) of 1969 and the Council on Environmental Quality Regulations (40 CFR Part 1500), the U.S. Navy

south shore. Others requested that Navy turn over a lesser portion of the Fort. The Navy's preferred alternative as presented in the FSEIS includes the transfer of 30 acres of land along the north shore (about 40% of the shoreline) including Battery Weed and the promenade of Fort Tompkins, and five other smaller batteries. The Navy responded to those comments advocating excessing all or a larger part of Fort Wadsworth by indicating that while Fort Wadsworth was included in the legislation defining Gateway NRA, its transfer is dependent upon its no longer being needed for military purposes. Other Gateway NRA comments concerned plans for construction of family housing at Floyd Bennett Field in Brooklyn, an established major segment of the Gateway NRA. The Navy noted the concerns raised and does not now propose to develop housing at Floyd Bennett Field.

Family housing will instead be concentrated in two principal areas—Fort Wadsworth and South Beach (Ocean Breeze). Existing traffic loads and patterns in these areas would be impacted. Mitigation measures have been proposed and no significant adverse conditions are predicted. Temporary degradation of air or water quality will result from construction.

Subsequent to the close of the comment period but prior to publication of the FSEIS the Navy received information from the New York State Department of Environmental Conservation (DEC) that indicated a recent survey of the South Beach site revealed the presence of freshwater wetlands on site. These wetlands also qualify for Federal protection. The Navy has had several discussions with representatives from DEC, the Urban Development Corporation (UDC) and the U.S. Army Corps of Engineers (COE) to resolve this issue. The Navy believes the South Beach site can accommodate Navy housing requirements without impacting any wetlands. The Navy will not construct housing at South Beach on any designated wetlands.

With regard to cultural resources, comprehensive investigations were conducted for all properties considered in the development of the SAG Homeport Project. No properties listed or eligible for listing on the National Register of Historic Places were identified at the Stapleton site where the pier and operational support facilities will be constructed. Further investigation and analysis could be required for privately owned lands to be acquired subsequent to the initial land

acquisition. Results of these studies will then be coordinated with the State Historic Preservation Office (SHPO) and the Advisory Council on Historic Preservation (ACHP) as appropriate. Investigations undertaken by the Navy revealed that the proposed housing development at South Beach would have no effect on any cultural resources.

Within the Fort Wadsworth complex, sixteen properties are listed, or have been determined eligible for listing, on the National Register. Of these properties Batteries Weed, Catlin, Bacon, Turnbull, Barbour and Hudson are to be transferred to the National Park Service and they will not be affected by Navy activities. Fort Tompkins will be retained by the Navy. The plan for this structure will be developed in accordance with the Secretary of Interior's Standards and Guidelines for work on historic structures which encourages concurrent utilization of registered properties and efforts will be coordinated with the SHPO and the ACHP.

With respect to those batteries to be retained by the Navy, only three—Batteries Duane, Richmond and Ayers—are located in areas of new construction. Batteries Richmond and Ayers will be removed for new housing construction. Battery Duane, currently in a badly deteriorated condition, will be removed, at least partially, for construction of a combined club facility. The batteries to be retained will be stabilized and protected from vandalism or other abuses. Based on recommendations of the New York SHPO, damage to the Fountain-Mouquin House Site will be mitigated. In seeking a Memorandum of Agreement (MOA) with the Advisory Council on Historic Preservation in compliance with the National Historic Preservation Act (NHPA), the Navy has participated in several meetings with the ACHP and has: (1) Situated Navy housing in such a manner to avoid affecting retained historical properties; and (2) relocated the combined club facilities to the vicinity of Battery Duane to avoid affecting Fort Tompkins in particular. With these accommodations no further obstacles are foreseen in developing the required MOA.

A review of the SAG homeport activities with respect to applicable policies of the New York State Coastal Zone Management Program and the New York City Waterfront Revitalization Program indicates that the Homeport program is consistent, to the maximum extent practicable, with the goals and objectives of the coastal programs. Development activities will revitalize underutilized coastal areas of

Staten Island without significantly altering the quality or use of the coastal resources. Consistent with the intent of the Federal Coastal Zone Management Act, the SAG Homeport undertaking is a water-dependent military facility that will serve in the national interest and thus should be afforded a high priority for use of the coastal zone.

In the preparation of the Record of Decision, the Navy considered the comments received subsequent to the filing of the FSEIS. Concerns were equally centered around the issues of nuclear weapons and Gateway NRA impacts. As with previous correspondence received, commentators requested confirmation on the presence of nuclear weapons. The Navy acknowledges receipt of these documents but offers no further response.

With respect to the Gateway issues, commentators object to the Navy's plans to retain exclusive use of the southerly beach area thereby denying the public right-of-access to the waterfront along a continuous shoreline from Battery Weed to other Gateway NRA holdings to the south. The Navy recognizes these concerns but reiterates the conditions that established the Gateway NRA, specifically the provisions in the enabling legislation which provides for the transfer of Fort Wadsworth "when it is no longer needed for military purposes". The Navy reaffirms its requirements to retain and utilize Fort Wadsworth lands identified in the FSEIS to satisfy operational, personnel support and security requirements in support of the SAG Homeport.

The Navy believes there are no outstanding issues to be resolved with respect to this action, except as noted herein. Some mitigation measures may require continued coordination between the Navy and cognizant federal, state and local agencies to effect implementation of the homeporting action. Appropriate coordination and resultant mitigation is expected to occur.

Dated: August 20, 1986.

Everett Pyatt,

Assistant Secretary of the Navy
(Shipbuilding & Logistics).

[FR Doc. 86-19484 Filed 8-27-86; 8:45 am]

BILLING CODE 3810-AE-M

Western Instrument Corp.; Intent to Grant Limited Exclusive Patent License

The Department of the Navy hereby gives notice of intent to grant Western Instrument Corporation, a corporation of the State of California, a revocable,

nonassignable, limited exclusive license to practice the Government-owned invention described in U.S. Patent No. 4,410,925 entitled "Ground Fault Detector and Shutdown System" issued October 18, 1983; inventors: Leroy W. Tucker and Floyd E. Nelson.

This license will be granted unless within 60 days from the date of this notice written objections to this grant along with supporting evidence, if any, received by the Office of the Chief of Naval Research (Code OOCPP3), Arlington, VA 22217.

For further information concerning this notice, contact: Dr. A.C. Williams, Staff Patent Adviser, Office of the Chief of Naval Research, Code OOCPP3, Ballston Tower No. 1, 800 N. Quincy Street, Arlington, VA 22217-5000, Telephone No. (202) 696-4005.

Dated: August 25, 1986.

Harold L. Stoller,

CDR, JAGC, USN Federal Register Liaison Officer.

[FR Doc. 86-19483 Filed 8-27-86; 8:45 am]

BILLING CODE 3810-AE-M

SUPPLEMENTARY INFORMATION: The National Council on Educational Research is established under section 405 of the General Education Provisions Act (20 U.S.C. 1221e); Department of Education organization plan implemented pursuant to section 413 of Pub. L. 96-88 and notice to Congress dated July 2, 1985. The Council is established to advise the Secretary of Education on policies and priorities for the Office of Educational Research and Improvement (OERI), and to review the conduct of OERI and to advise the Secretary of Education and the Assistant Secretary for OERI on development of programs to be carried out by OERI.

Meetings of the Council and its committees are open to the public. Committees will meet according to the following schedule: Office of Research Committee, 10-11:30 a.m.; Information Services Committee, 1-2:30 p.m.; Statistics Committee, 1-2:30 p.m.; Improvement of Practice Committee, 2:30-4 p.m.; Reports Committee, 4-5 p.m. Committees will draft resolutions and recommendations for submission to the Assistant Secretary for OERI and will plan its agenda for FY 1987.

Records are kept of all Council proceedings and are available for public inspection at the office of the National Council on Educational Research, 2000 L St., NW., Suite 617 B, Washington, DC 20036, from the hours of 9 a.m. to 5 p.m. Monday through Friday.

Dated: August 22, 1986.

Mary Grace Lucier,

Acting Executive Director.

[FR Doc. 86-19481 Filed 8-27-86; 8:45 am]

BILLING CODE 4000-01-M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. TA86-18-20-000 & 001]

Algonquin Gas Transmission Co.; Proposed Changes in FERC Gas Tariff

August 25, 1986

Take notice that Algonquin Gas Transmission Company ("Algonquin Gas") on August 14, 1986, tendered for filing Fourteenth Revised Sheet No. 203 to its FERC Gas Tariff, Second Revised Volume No. 1.

Algonquin Gas States that such tariff sheet is being filed to reflect in Algonquin Gas' Rate Schedule F-2, changes in the underlying rates of Consolidated Gas Transmission Corporation ("Consolidated"), as reflected in Consolidated's August 1,

1986 semi-annual PGA filing, proposed to be effective September 1, 1986.

Algonquin Gas requests that the Commission accept Fourteenth Revised Sheet No. 203 to be effective September 1, 1986 to coincide with the proposed effective date of Consolidated's rate change.

Algonquin Gas notes that a copy of this filing is being served upon each affected party and interested state commission.

Any person desiring to be heard or protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE, Washington, DC 20426, in accordance with Rules 211, and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). All such motions or protests should be filed on or before September 2, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,
Secretary.

[FR Doc. 86-19513 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TA87-1-32-000, 001]

Colorado Interstate Gas Co., Proposed Change in Rates Under Purchased Gas Adjustment Clause Provision

August 25, 1986

Take notice that Colorado Interstate Gas Company (CIG) on August 15, 1986, tendered for filing proposed changes to its FERC Gas Tariff, Original Volume No. 1, to be effective October 1, 1986.

The decreased jurisdictional cost to CIG of purchased gas proposed by the filing amounts to approximately \$3.3 million below the rates which were effective on April 1, 1986, in Docket Nos. TA86-3-32-000 and TA86-3-32-001. Further, and consistent with CIG's tariff PGA procedures, this filing includes the projected effect of the FERC's Final Rule promulgated by Order No. 451 of Docket No. RM86-3-000, issued June 6, 1986. (CIG, along with many others, has filed for rehearing of Order No. 451; and CIG's filing herein is without prejudice to that application for rehearing for any further action CIG may take with regard to said order.) This Final Rule has a projected impact of increasing the Maximum Lawful Price (MLP) for most

SUMMARY: This notice sets forth the schedule and agenda of a forthcoming meeting of the National Council on Educational Research and meetings of its committees. This notice also describes the functions of the Council. Notice of these meetings is required under section 10(a)(2) of the Federal Advisory Committee Act.

DATES: September 25 and 26, 1986.

ADDRESS: Committees will meet on September 25 from 10 a.m. to 5 p.m. in rooms adjacent to the Council's office, Suite 617 B, 2000 L St., NW., Washington, DC 20036. The full Council will meet on September 26 from 9 a.m. to 4 p.m. in Conference Room 3000, U.S. Department of Education, FOB-6, 400 Maryland Ave., SW., Third Floor, Washington, DC 20202.

FOR FURTHER INFORMATION CONTACT: Mary Grace Lucier, Acting Executive Director, National Council on Educational Research, 2000 L St., NW., Suite 617 B, Washington, DC 20036, (202) 254-7490.

vintages of gas for certain wells under NGPA Sections 104 and 106 by approximately \$35.0 million. Due to the absence of any projected maximum surcharge absorption capability on CIG's system, no reduction in CIG's Estimated Actual Cost of Purchased Gas for incremental pricing purposes is reflected in the filing.

Copies of this filing have been served upon CIG's jurisdictional customers and other interested persons, including public bodies.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE, Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's rules of practice and procedure (18 CFR 385.214, 385.211 (1985)). All such motions or protests should be filed on or before September 2, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,
Secretary.

[FR Doc. 86-19514 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP86-137-001]

Florida Gas Transmission Co.; Compliance Filing

August 25, 1986

Take notice that on August 15, 1986, Florida Gas Transmission Company (FGT) tendered for filing revised tariff sheets to its FERC Gas Tariff, First Revised Volume No. 1 and Original Volume Nos. 2 and 3 in compliance with the Commission's order issued July 31, 1986 in Docket No. RP86-137-000.

FGT states that the tariff sheets identified on Appendix A and supporting workpapers, attached to the filing as Appendix C, reflect the elimination of the salary and wage adjustments estimated to occur on January 1, 1987. Certain tariff sheets not affected by the elimination of the salary and wage increases because the rate impact was *de minimis* are identified on Appendix B.

Copies of this filing were mailed to the authorized purchasers and interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to

intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE, Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's Rules of Practice and Procedure (18 CFR 385.214, 385.211 (1985)). All such motions or protests should be filed on or before September 2, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,
Secretary.

[FR Doc. 86-19515 Filed 8-27-86; 8:45 am]

Billing Code 6717-01-M

[Docket No. RP86-69-003]

Mid Louisiana Gas Co.; Compliance Filing

August 25, 1986

Take notice that on August 6, 1986, Mid Louisiana Gas Company (Mid-La) tendered for filing as part of its First Revised Volume No. 1 of its FERC Gas Tariff, the following tariff sheets:

Second Substitute Fifty-Fifth Revised Sheet No. 3a

Second Substitute Original Sheet No. 12f

Second Substitute Original Sheet No. 12g

According to § 381.103(b)(2)(iii) of the Commission's regulations (18 CFR § 381.103(b)(2)(iii)), the date of filing is the date on which the Commission receives the appropriate filing fee, which in the instant case was not until August 20, 1986.

Mid-La states that the filing of the tariff sheets is in compliance with the letter order issued July 22, 1986, in Docket No. RP86-69-002 in order to eliminate the collection of a reservation fee for firm transportation service under its Rate Schedule FT-1. Mid-La has filed such tariff sheets under protest and has requested rehearing on this issue or in the alternative that the issue of Mid-La's ability to collect a reservation fee for firm transportation service be the subject of this proceeding.

Mid-La further states that a copy of this compliance filing has been mailed to each of its jurisdictional customers and to interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE, Washington, DC 20426, in accordance with Rules 214

and 211 of the Commission's Rules of Practice and Procedure (18 CFR 385.214, 385.211 (1985)). All such motions or protests should be filed on or before September 3, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,
Secretary.

[FR Doc. 86-19516 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. RP85-208-001 and CP80-274-011]

Mountain Fuel Resources, Inc.; Refund Report and Withdrawal of Tariff Sheets

August 25, 1986

Take notice that on August 18, 1986, Mountain Fuel Resources, Inc. (MFR) filed a refund report reflecting amounts it refunded to its jurisdictional customers on July 18, 1986 totaling \$5.8 million. This filing was made pursuant to the Commission's May 20, 1986 Letter Order, accepting and approving the Stipulation and Agreement in Docket Nos. RP85-208-000 and CP80-274-011.

Also in compliance with the above Letter Order, MFR withdraws its request to make effective First Revised Sheet No. 12 and Third Revised Sheet No. 13 to its First Revised Volume No. 1 and First Revised Sheet Nos. 8, 9, and 10 to its Original Volume No. 3.

MFR has mailed copies of this filing to all parties on the service list (attached as Item 3 to filing).

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE, Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's Rules of Practice and Procedure (18 CFR 385.214, 385.211 (1985)). All such motions or protests should be filed on or before September 3, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the

Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-19517 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. G-19714-000 et al.]

**Phillips Petroleum Co. et al.;
Applications for Abandonment and
Blanket Limited-Term Certificate**

August 22, 1986.

Take notice that each of the applications listed herein have filed applications pursuant to section 7 of the Natural Gas Act for authorization to

abandon service or for a blanket limited-term certificate to sell natural gas in interstate commerce, as described herein.

The circumstances presented in the applications meet the criteria for consideration on an expedited basis, pursuant to § 2.77 of the Commission's rules as promulgated by Order No. 436 and 436-A, issued October 9, and December 12, 1985, in Docket No. RM85-1-000, all as more fully described in the applications which are on file with the Commission and open to public inspection.

Accordingly, any person desiring to be heard or to make any protests with reference to said applications should on or before 15 days after the date of

publication of this notice in the Federal Register, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). All protest filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party in any proceeding herein must file a petition to intervene in accordance with the Commission's Rules.

Kenneth F. Plumb,

Secretary.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mct	Pressure base
G-19714-000, B, July 25, 1986 ¹	Phillips Petroleum Company, 336 Home Savings & Loan Bldg., Bartlesville, Oklahoma 74004.	United Gas Pipe Line Company, Jeanerette Field, St. Mary's Parish, Louisiana.	(*)	
C186-614-000, A, July 25, 1986	Do.	(*)		
C186-635-000, B, August 4, 1986	PI Energy, One Allen Center, Suite 1000, 500 Dallas, Houston, Texas 77002.	United Gas Pipe Line Company, Red Fish Bay Field, Nueces County, Texas.	(*)	
C186-648-000, G, August 11, 1986	Industrial Gas Associates, Box 1610, Greenwich, Connecticut 06836.	Carnegie Natural Gas Company, Union District Field, Ritchie County, West Virginia.	(*) ⁽⁸⁾	
C186-664-000, B, August 11, 1986	do.	Carnegie Natural Gas Company, Centerville District Field, Tyler County, West Virginia.	(*) ⁽⁹⁾	
C186-665-000, B, August 11, 1986	do.	Carnegie Natural Gas Company, Central District Field, Doddridge County, West Virginia.	(*) ⁽¹⁰⁾	
C186-666-000, B, August 11, 1986	do.	do.	(*) ⁽¹¹⁾	
C186-667-000, B, August 11, 1986	do.	do.	(*) ⁽¹²⁾	
C186-668-000, B, August 11, 1986	Industrial Gas Associates, (Operator for Petro Enterprises, Inc.) ¹² Box 1610, Greenwich, Connecticut 06836.	Carnegie Natural Gas Company, Centerville District Field, Tyler County, West Virginia.	(*) ⁽¹⁴⁾	
C186-669-000, B, August 11, 1986	do.	do.	(*) ⁽¹⁵⁾	
C186-670-000, B, August 11, 1986	do.	do.	(*) ⁽¹⁶⁾	
C186-671-000, B, August 11, 1986	Industrial Gas Associates, Box 1610, Greenwich, Connecticut 06836.	Carnegie Natural Gas Company, Central District Field, Doddridge County, West Virginia.	(*) ⁽¹⁷⁾	

¹ Supplemental information received August 12, 1986.

² Applicant request a limited-term abandonment for a period of two-years for a sale made to United under a contract dated September 9, 1959, which was replaced by a contract dated September 7, 1979, and covered by Applicant's FERC Gas Rate Schedule No. 357. Applicant states that the contract expired by its own terms on September 1, 1984. Applicant states that it has received from United, by letter dated January 31, 1986, allegations of a continuing situation of force majeure, commercial impracticability and impossibility on its pipeline system due to severely depressed markets and continued reduction in purchases. Applicant further states that such letter asserts United's intent to permanently cease taking all gas not subject to the Natural Gas Act (NGA) and to temporarily cease taking, through the Fall of 1986, all gas subject to the NGA. Applicant states its belief that its situation warrants expeditious treatment pursuant to § 2.77 of the Commission's Regulations due to substantially reduced takes without payment. Applicant states that the subject gas qualifies under section 106(a) of the Natural Gas Policy Act of 1978 (NGPA) and that the subject deliverability is approximately 300 Mct/per month.

³ Applicant requests in Docket No. C186-614-000 a blanket, limited-term certificate with pre-granted abandonment for a period of two-years to make sales for resale in interstate commerce of gas which is released and is subject to the limited-term abandonment in Docket No. G-19714-000.

⁴ Additional information received August 12 and 18, 1986.

⁵ Applicant, a small producer certificate holder in Docket No. CS86-88-000, requests authorization to abandon service to United for a period of two-years from two NGPA section 104 replacement or recompletion gas wells. Applicant states it has made extensive capital expenditure in the acquisition of the subject properties and additional facilities to deliver gas to United. However, Applicant states, United has cut its price which combined with its substantially reduced takes without payment makes production of these wells uneconomical and prohibitive. Applicant states Sun Oil Company processed the natural gas liquids from the subject gas and delivered the gas at the tailgate of their plant to United. Applicant states Sun abandoned its gas processing plant on May 3, 1985, and has subsequently removed said plant. As a result, Applicant states, United abandoned its low pressure gas gathering lines which caused Applicant to negotiate with United to take the subject gas onshore at a mutually agreeable point. Applicant further states this procedure resulted in Applicant's having to acquire a new gas gathering line, install its own processing equipment along with compression and dehydration units. Applicant states that after installation of these facilities United decided not to take the subject gas which forced Applicant to negotiate the sale of such gas to another company. Applicant proposes to sell the remaining gas to Seagull Energy Corporation or to Tennasco Marketing Corporation in interstate commerce. The wells involved are shown below:

Well name	Average deliverability (Mct/d)
State Tract 397 #4	662
State Tract 397 #6	682
	1,364

will not be able to continue as a financially viable natural gas producer unless it can reestablish production and revenues from these wells in the very near future. Applicant states other markets are available for its natural gas through Ohio Gas Marketing Company, through Park-Ohio Industries, and through direct sales to certain industrial firms, which will, in general, offer better contract terms and large sales volumes.

⁶ The well involved is shown below:

Well name	Approximate deliverability (Mct/d)
Kenneth Godfrey #1	20

⁷ The wells involved are shown below:

Well name	Approximate deliverability (Mct/d)
Hattie Bradford #1	15
Hattie Bradford #2	15
	30

¹⁰ The wells involved are shown below:

⁸ Additional information received August 18, 1986.
⁹ Applicant, a small producer certificate holder in Docket No. CS77-833, requests authorization to abandon service to Carnegie Natural Gas Company from certain NGPA section 108 stripper gas wells. Applicant states the purchaser has not taken any gas or paid for any gas since April 1986 and has indicated to Applicant that it has no market for the gas now or for the foreseeable future. Applicant states it has been very adversely affected by this extended shut-in and

Well name	Approximate deliverability (Mcf/d)
J. Montgomery #1.....	20

¹¹ The wells involved are shown below:

Well name	Approximate deliverability (Mcf/d)
Lorena G. Hammer #1.....	40
Lorena G. Hammer #2.....	40
	80

¹² The wells involved are shown below:

Well name	Approximate deliverability (Mcf/d)
Minerva Thompson #1.....	30
Gladys Hurst #1.....	30
Gladys Hurst #2.....	20
D. Smith #1.....	20
Lawrence James #1.....	20
Lawrence James #2.....	20
Lawrence James #3.....	20
	160

¹³ Petro Enterprises, Inc. operates under a small producer certificate in Docket No. CS80-141.

¹⁴ The well involved is shown below:

Well name	Approximate deliverability (Mcf/d)
A. E. Pratt #1.....	25

¹⁵ The wells involved are shown below:

Well name	Approximate deliverability (Mcf/d)
C.K. McCullough #1.....	20
C.K. McCullough #2.....	15
	35

¹⁶ The well involved is shown below:

Well name	Approximate deliverability (Mcf/d)
J.F. Mulvey #1.....	20

¹⁷ The well involved is shown below:

Well name	Approximate deliverability (Mcf/d)
Lillie M. Shepherd #1.....	20

Filing Code: A-Initial Service, B-Abandonment, C-Amendment to add acreage, D-Amendment to delete acreage, E-Total Succession, F-Partial Succession.

[FR Doc. 86-19518 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. ER86-630-000, et al.]

Utah Power and Light Company et al.; Electric Rate and Corporate Regulation Filings

Take notice that the following filings have been made with the Commission:

1. Utah Power and Light Company

[Docket No. ER86-630-000]

August 22, 1986.

Take notice that on August 11, 1986, Utah Power and Light Company (the Company) tendered for filing in compliance with section 205(c) of the Federal Power Act and in accordance with the provisions of Section V of Exhibit C of the Residential Purchase and Sale Agreement between the Company and Bonneville Power Administration the following:

(1) BPA's written report dated July 14, 1986 for the ASC determined by BPA,

(2) The Company's Appendix 1 for an exchange period beginning November 26, 1985 as filed with BPA by UP&L,

(3) Rate Order No. 19101 issued by the Idaho Public Utilities Commission in Case U-1009-157,

(4) Order reconciliation,

(5) Footnotes and workpapers supporting Average System Cost calculations,

(6) Attachments, A, B, C, D, E, and

(7) \$3,100 filing fee.

Comment date: September 5, 1986, in accordance with Standard Paragraph E at the end of this notice.

2. Pacific Power & Light Company, an Assumed Business Name of PacifiCorp.

[Docket No. ER86-631-000]

August 21, 1986.

Take notice that on August 4, 1986 Pacific Power & Light Company (Pacific), an assumed business name of PacifiCorp, tendered for filing, in accordance with § 35.30 of the Commission's Regulations, Pacific's Revised Appendix 1 for the state of Montana and Bonneville Power Administration's (Bonneville) Determination of Average System Cost (ASC) for the state of Montana (Bonneville's Docket No. 5-A4-8503). The Revised Appendix 1 calculates the ASC for the state of Montana applicable to the exchange of power between Bonneville and Pacific.

Pacific requests waiver of the Commission's notice requirements to permit this rate schedule to become effective December 2, 1985, which it claims is the date of commencement of service.

Copies of the filing were supplied to Bonneville, the Montana Public Service

Commission, Helena, Montana, and Bonneville's Direct Service Industrial Customers.

Comment date: September 4, 1986, in accordance with Standard Paragraph E at the end of this notice.

3. El Paso Electric Company

[Docket No. ER86-368-004]

August 22, 1986.

Take notice that on August 18, 1986, El Paso Electric Company tendered for filing as an amendment, a reply to comments on its compliance filing, Docket No. ER86-638-000. The reply accepts certain corrections proposed by intervenors and has appended to its revised rate sheets to implement the corrections.

Comment date: September 8, 1986, in accordance with Standard Paragraph E at the end of this notice.

4. Gulf States Utilities Company. Towns of Erath, Gueydan, and Kaplan, Louisiana v. Gulf States Utilities Company

[Docket Nos. ER86-558-000 and EL86-48-000]

August 20, 1986.

Take notice that on August 15, 1986, the towns of Erath, Gueydan, and Kaplan, Louisiana ("Towns") filed in Docket No. EL86-48-000 an amendment to their complaint filed on July 10, 1986, against Gulf States Utilities Company ("Gulf States").

The Towns state that the amendment to the complaint supplements the allegations made in the complaint, and is based, in part, on facts occurring or coming to the attention of the Towns after July 10, 1986. In their amendment, the Towns allege that Gulf States may have charged the Towns a lower rate than the rate filed with the Commission, in violation of section 205(d) of the Federal Power Act. The Towns allege that such action may have been taken in order for Gulf States to require the Towns to pay the difference between the filed rate and the rate actually paid before the Towns could take advantage of their right to terminate their contracts with Gulf States.

The Towns request that the Commission investigate whether they are being charged the filed rate under the contracts now on file with the Commission. In the event the Commission finds that Gulf States has charged the Towns less than the filed rate, the Towns request the Commission find: (1) That such billing practices violated the Federal Power Act; (2) that Gulf States be barred from requiring the Towns to pay the difference between the filed rates and the rates actually

paid; and (3) that Gulf States be estopped from claiming that the Towns can not take advantage of their rights to terminate their contracts with Gulf States.

In light of the Towns' filing, Gulf States is hereby directed to respond to the complaint, as amended, and the motions for consolidation and for expedited hearing (which response was previously due on August 21, 1986) within 20 days of the issuance of this notice.

Comment date: September 9, 1986, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraphs:

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-19510 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Project Nos. 2390 et al.]

Hydroelectric Applications (Lake Superior District Power Company); Applications Filed With the Commission

The comment date for all projects listed below is September 22, 1986, except for Project No. 2587-000 (comment date: September 18, 1986) and Project No. 2610 (comment date: September 19, 1986). The licensee on each project is Lake Superior District Power Company. The following paragraphs apply to all the applications listed below:

Correspondence with the applicants should be directed to: John P. Moore, Jr., Northern States Power Company, 100 North Barstow Street, P.O. Box 8, Eau Claire, WI 54702, Gary R. Johnson, Northern States Power Company, 414 Nicollet Mall, Minneapolis, MN 55401, and Paul Korman, Gardner, Carton &

Douglas, 1875 Eye Street, NW., Suite 1050, Washington, DC 20006.

Comments, Protests, or Motions to Intervene—Anyone may file comments, a protest, or a motion to intervene in accordance with the requirements of Rules 211 or 214, 18 CFR 385.211 or 385.214, 47 FR 19025-26 (1982). In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests or motions to intervene must be filed on or before the comment date.

Filing and Service of responsive Documents—Any filings must bear in all capital letters the title "Comments", "Protest", or "Motion To Intervene", as applicable, and the Project Number of this notice. Any of the above named documents must be filed by providing the original and those copies required by the Commission's regulations to: Kenneth F. Plumb, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. An additional copy must be sent to: Fred E. Springer, Director, Division of Project Management, Office of Hydropower Licensing, Federal Energy Regulatory Commission, Room 208 RB at the above address. A copy of any motion to intervene must also be served upon each representative of the applicant specified above.

1. Lake Superior District Power Company

[Project No. 2390-000]

Take notice that the Lake Superior District Power Company, licensee for the Big Falls Project, FERC No. 2390, and the Northern States Power Company, Wisconsin (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on May 25, 1965, and would expire on December 31, 1993. The project is located on the Flambeau River in Rusk County, Wisconsin.

2. Lake Superior District Power Company

[Project No. 2587-000]

Take notice that the Lake Superior District Power Company, licensee for the Superior Falls Project, FERC No. 2587, and the Northern States Power Company (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the

requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on October 9, 1968, and would expire on December 31, 1993. The project is located on the Montreal River in Iron County, Wisconsin and Gogebic County, Michigan.

3. Lake Superior District Power Company

[Project No. 2417-000]

Take notice that the Lake Superior District Power Company, licensee for the Hayward Project, FERC No. 2417, and the Northern States Power Company (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on August 17, 1967, and would expire on December 31, 1993. The project is located on the Namekagon River in Sawyer County, Wisconsin.

4. Lake Superior District Power Company

[Project No. 2564-000]

Take notice that the Lake Superior District Power Company, licensee for the Orienta Project, FERC No. 2564, and the Northern States Power Company (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on October 2, 1968, and would expire on December 31, 1993. The project is located on the Iron River in Bayfield County, Wisconsin.

5. Lake Superior District Power Company

[Project No. 2444-000]

Take notice that the Lake Superior District Power Company, licensee for the White River Project, FERC No. 2444, and the Northern States Power Company (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on May 3, 1966, and would expire on December 31, 1993. The project is located on the White River in Ashland County, Wisconsin.

6. Lake Superior District Power Company

[Project No. 2475-001]

Take notice that the Lake Superior District Power Company, licensee for the Thornapple Project, FERC No. 2475, and the Northern States Power Company (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on April 22, 1965, and would expire on December 22, 1993. The project is located on the Flambeau River in Rusk County, Wisconsin.

7. Lake Superior District Power Company

[Project No. 2610-000]

Take notice that the Lake Superior District Power Company, licensee for the Saxon Falls Project, FERC No. 2610, and the Northern States Power Company (NSP) have requested that the project license be transferred from the licensee to NSP. The reason for the requested transfer is that on June 24, 1986, the licensee filed jointly with NSP to merge with and into NSP.

The license was issued on December 10, 1968, and would expire on December 31, 1989. The project is located on the Montreal River in Gogebic County, Michigan.

Dated: August 25, 1986, Washington, DC.
Kenneth F. Plumb,
Secretary.

[FR Doc. 86-19511 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CP86-679-000 et al.]

Interstate Power Company et al.; Natural Gas Certificate Filings

Take notice that the followings filings have been made with the Commission:

[Docket No. CP86-679-000]

August 21, 1986.

Take notice that on August 18, 1986, Interstate Power Company (Applicant), 1000 Main Street, Dubuque, Iowa 52001, filed in Docket Nos. CP86-679-000 an application pursuant to section 7(c) of the Natural Gas Act, for a certificate of public convenience and necessity authorizing the transport of up to a maximum of 40 billion Btu equivalent of natural gas per day on a firm basis, and up to a maximum of 3 billion Btu equivalent of natural gas per day on an interruptible basis, for Hawkeye Chemical Company (Hawkeye), all as more fully set forth in the application

which is on file with the Commission and open to public inspection.

Applicant proposes to transport natural gas for Hawkeye's own use as an industrial end-user, and for Hawkeye acting as an agent for Norchem, Inc. (Norchem), another industrial end-user which operates plants within the same Clinton County, Iowa, chemical complex as Hawkeye's. Applicant states that it would perform its proposed transportation services for Hawkeye pursuant to a transportation gas service agreement (Agreement) concluded by it and Hawkeye on August 14, 1986.

The Agreement between Hawkeye and Applicant would be effective for two years from the date of the first gas delivery, and would be continued on a month-to-month basis thereafter, reports Applicant.

Under this agreement, it is stated, Applicant would receive Hawkeye's contract gas at the interconnection point between Natural Gas Pipeline Company of America's and Applicant's facilities located at Hooppole, Illinois. Applicant states that it would then transport this gas through its pipelines, and deliver equivalent volumes (less one-half percent to reflect Applicant's fuel consumption and system losses) to Hawkeye's facilities near Clinton, Iowa.

Applicant proposes to charge Hawkeye firm and interruptible transportation rates that are equivalent to those that it currently charges under tariffs approved by the Iowa Utility Board.

Applicant states that it would require no new facilities to provide the proposed transportation service for Hawkeye.

Comment date: September 4, 1986, in accordance with Standard Paragraph F at the end of this notice.

2. Natural Gas Pipeline Company of America

[Docket No. CP86-667-000]

August 22, 1986.

Take notice that on August 12, 1986, Natural Gas Pipeline Company of America (Applicant), 701 East 22nd Street, Lombard, Illinois 60148, filed in Docket No. CP86-667-000 an application pursuant to Section 7 of the Natural Gas Act for authorization to transport up to a maximum of 5.5 billion Btu equivalent per day of natural gas, on an interruptible basis, for MidCon Marketing Corp. (Marketing) and for pre-granted abandonment of such service, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

It is stated that Applicant would transport natural gas for the account of Marketing for ultimate delivery to The Kelly Springfield Tire Co. (Kelly Springfield), an industrial end-user. It is asserted that the proposed end-use of the gas would be to generate steam for the production of tires and for cogeneration at Kelly Springfield's plant in Stephenson County, Illinois.

It is stated that Applicant would receive natural gas for the account of Marketing at the existing interconnections between the facilities of Applicant and the measurement facilities of: (1) ONG Transmission Company (ONG) located in section 6, Township 20 North, Range 18 West, Woodward County, Oklahoma, and (2) M.V. Pipeline Company (M.V.) located in section 2, Township 5 North, Range 10 West, Caddo County, Oklahoma.

It is further stated that Applicant would transport on a fully interruptible basis and would redeliver volumes of gas for the account of Marketing of Northern Illinois Gas Company (NIGAS) at existing point of interconnection between the facilities of Applicant and the measurement facilities of NIGAS located: (1) In Section 5, Township 38 North, Range 9 East, DuPage County, Illinois, and (2) in section 31, Township 28 North, Range 7 East, Livingston County, Illinois for redelivery by NIGAS to Kelly Springfield's plant in Stephenson County, Illinois.

According to Applicant it would charge Marketing the following transportation rates:

Point of receipt	Point of delivery	Transportation rate (/ MMBtu) (cents)
ONG-Woodward County, OK.	Du Page County, IL.....	28.8
ONG-Woodward County, OK.	Livingston County, IL.....	28.8
M.V.-Caddo County, OK.	Du Page County, IL.....	33.3
M.V.-Caddo County, OK.	Livingston County, IL.....	33.3

It is also stated that Applicant would redeliver gas to Marketing, less certain percentage reductions for fuel consumed and lost and gas unaccounted for, or would charge Marketing for fuel consumed and lost and gas unaccounted for as provided under the transportation agreement.

Further, Applicant would charge Marketing the currently effective GRI surcharge as set forth on Tariff Sheet No. 5A of Applicant's Volume 1 Tariff.

Applicant states that it requests authority to provide an interruptible transportation service for Marketing for

a period of 5 years from the date of first delivery.

Applicant also states that no new facilities would be required for this service. Applicant also states that it requests authorization to add or delete additional receipt points in the future as many be necessary to support this service.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

3. National Fuel Gas Supply Corporation and Penn-York Energy Corporation

[Docket No. CP76-492-040]

August 21, 1986.

Take notice that on August 13, 1986, National Fuel Gas Supply Corporation (Supply Corporation) and Penn-York Energy Corporation (Penn-York), 1100 State Street, Erie, Pennsylvania 16512, filed in Docket No. CP76-492-040, to further amend their joint application pursuant to section 7(c) of the Natural Gas Act to which Supply Corporation requests a limited-term certificate of public convenience and necessity for authorization to transport natural gas to Transco Gas Services Company (Transco), and temporary authority to provide such service pending permanent approval. Penn-York requests temporary authority to provide storage service to Transco for a one year period and to modify the levels of storage service provided to other customers, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Penn-York requests temporary authority to provide 1.72 million Mcf of storage capacity to Transco for the twelve month period beginning April 1, 1986. Penn-York also requests pregranted abandonment authority for this service, with service terminating on March 31, 1986. Penn-York states that in order to maintain the total storage service provided by Penn-York at a constant level, storage service to Delmarva Power and Light Company (Delmarva), Penn Fuel Gas, Inc. (Penn Fuel), Pennsylvania & Southern Gas Company (Penn & Southern), Connecticut Natural Gas Company (CNG), Connecticut Light and Power Company (CLP), and UGI Corporation (UGI), would be reduced, in the aggregate, by a corresponding amount. Penn-York states that each of the affected customers has agreed to the level of service reflected therein.

In addition, Penn-York states that because the Transco contract has a term of one year the customers who received a decrease in service during the 1986-1987 period must, as of April 1, 1987,

increase their storage service levels to existing levels in order to achieve the reallocation without affecting the aggregate level of sales. The storage service provided to customers of Penn-York would be at the level indicated below. Penn-York seeks temporary authority to achieve these modifications in sales levels to the respective companies.

ANNUAL STORAGE QUANTITIES

	Existing contract amount	Apr. 1, 1986 through Apr. 1, 1987	Apr. 1, 1987, and thereafter
UGI	4,000,000	3,462,300	4,000,000
Delmarva	750,000	330,000	750,000
Penn Fuel	850,000	350,000	850,000
Penn & Southern	200,000	175,400	200,000
Fitchburg	136,257	136,257	136,257
Gas Service	200,000	200,000	200,000
Manchester	135,000	135,000	135,000
Valley	550,000	550,000	550,000
Transco	5,000,000	6,720,000	5,000,000
CNG	1,500,000	1,300,000	1,500,000
CLP	1,500,000	1,462,300	1,500,000

Supply Corporation requests in this docket a limited-term certificate of public convenience and necessity to provide transportation for the 1.72 million Mcf of gas to and from Penn-York's facilities for a one-year period with pre-authorized abandonment as of March 31, 1987. Supply Corporation states that this service is required to accommodate the storage service to Transco for which authorization is sought by Penn-York in this docket. Alternatively, Supply Corporation requests a temporary certificate of public convenience and necessity to provide this service for the same period. Supply Corporation states a temporary certificate is necessary in order to allow Transco to meet the service needs of its customers for the upcoming heating season.

In addition, Supply Corporation requests modifications to the demand changes and maximum daily volume levels contained in its tariffs X-29, X-30 and X-31. Supply Corporation states in its filing that decreases in volumes of gas being transported through Supply Corporation's YM-51 line as a result of the volume reductions provided to UGI and Penn Fuel would result in a loss of revenue and underrecovery of fuel costs unless the demand charge contained in the X-29 and X-30 transportation tariff is modified. Supply Corporation further states that the modifications are designed to ensure that the fixed costs associated with the YM-51 lines, which was constructed for the benefit of these customers, continue to be recovered notwithstanding the decrease in storage volumes. Supply Corporation additionally states that the changes to

be reflected in the X-31 tariff are necessary to reflect the decrease in storage service provided by Penn-York to Delmarva Power and Light.

Comment date: September 4, 1986, in accordance with Standard Paragraph F at the end of this notice.

4. Northwest Pipeline Corporation

[Docket No. CP86-661-000]

August 19, 1986.

Take notice that on August 7, 1986, Northwest Pipeline Corporation (Northwest), 295 Chyseta Way, Salt Lake City, Utah 84108, filed at Docket No. CP86-637-000 an application pursuant to section 7(c) of the Natural Gas Act and the Federal Energy Regulatory Commission (Commission) Regulations thereunder for a certificate of public convenience and necessity authorizing the transportation of natural gas in interstate commerce to and from its Ignacio Extraction plant, the construction and operation of piping and valves at its Ignacio compressor station and the flexibility to operate its Ignacio A, B, and C compressors for mainline service, as needed; all as more fully set forth in the application which is on file and open to public inspection.

Northwest states that its Ignacio extraction plant is presently used to condition the natural gas gathered by Northwest in the San Juan Basin to pipeline specifications by the removal of natural gas liquids. Northwest asserts that the design capacity of the Ignacio extraction plant is within the range of 120,000 to 300,000 Mcf per day depending upon the daily operation of such plant. Northwest states that adjacent to the Ignacio extraction facility are the Ignacio A, B, and C compressor units. Ignacio A was certificated in 1951 for mainline service; however Ignacio B and C were only certificated in 1971 for field compression. It is stated that declining sales have recently required Northwest to further cut production, resulting in the Ignacio extraction plant being shut-down. In order to meet its firm, off-system transportation delivery commitments, Northwest is now blending up to 30,000 Mcf per day of unprocessed San Juan gas with its mainline gas for delivery to El Paso Natural Gas Company. Northwest states that it would be in the best interests of Northwest and its customers, if Northwest had the flexibility to commingle its mainline gas with San Juan Basin gas for processing at the Ignacio extraction plant so that the plant could remain operational and recover liquids from whatever San Juan Gas is produced during the periods when

Northwest's low sales dictate drastic cuts in its San Juan Production.

It is stated that the flexibility to use Ignacio A, B, and C compressor units for mainline service when the Ignacio extraction plant is shut-down would be beneficial since it could facilitate the delivery of additional volumes to El Paso by allowing a greater volume of natural gas to be delivered to El Paso. The estimated cost of the piping, valves and appurtenant facilities is estimated at \$483,000.

Therefore, Northwest requests certificate authority to transport mainline gas to and from the Ignacio extraction plant for processing in order to keep the plant operational at reduced San Juan production levels and to construct the necessary valve and piping facilities necessary to implement such proposal. In addition to helping satisfy the operational minimum of 120,000 Mcf per day at the Ignacio extraction plant, Northwest intends to divert whatever additional quantity of its mainline gas to the extraction plant for processing which it determines to be economically justifiable based upon such factors as plant efficiency, mainline gas quality and product prices. Northwest also requests authority to operate its Ignacio A, B and C compressor stations to compress mainline gas during periods of low San Juan production in order to maintain higher transportation deliveries to El Paso.

Northwest asserts that implementation of this proposal will provide it with additional flexibility to more effectively serve its transportation service commitments and to more effectively manage its system gas supplies. It is stated that no adverse impacts, when compared with the alternative of shutting down the plant and blending unprocessed gas into the mainline, will devolve on any of Northwest's customers as a result of Northwest processing a portion of its mainline gas at its Ignacio plant. Northwest avers that the flexibility to compress mainline gas at its Ignacio A, B and C stations will help Northwest reduced the curtailment of interruptible transportation services resulting from market-related reductions in San Juan production.

Comment date: September 9, 1986, in accordance with Standard Paragraph F at the end of this notice.

5. Panhandle Eastern Pipe Line Company

[Docket No. CP86-669-000]

August 22, 1986.

Take notice that on August 13, 1986, Panhandle Eastern Pipe Line Company

(Applicant), P.O. Box 1642, Houston, Texas 77001, filed in Docket No. CP86-669-000 an application pursuant to sections 7(b) and 7(c) of the Natural Gas Act and the regulations thereunder for a limited-term certificate of public convenience and necessity authorizing the transportation of natural gas on behalf of certain end-users, additionally granting the authority to Applicant to report annually the addition and deletion of existing points of receipt and granting the authority to abandon this service when the contract term expires, all as more fully set forth in the application which is on file with the Commission and open for public inspection.

Pursuant to the various transportation agreements, Applicant proposes to transport up to 20,100 Mcf of natural gas per day on behalf of certain end-users, as listed below:

End-user	Local distribution company	Transportation volumes (Mcf/d)
Can-Am Industries, Inc.	Central Illinois Public Service Co.	2,500
Carle Foundation Hospital.	Illinois Power Co.	500
Eli Lilly & Co.	Indiana Gas Co.	13,000
Mercy Hospital	Illinois Power Co.	500
Methodist Medical Center of Illinois.	Central Illinois Public Service Co.	1,000
Proctor Community Hospital.	Central Illinois Light Co.	450
Sisters of the Third Order of St. Francis.	Central Illinois Light Co.	1,250
VHA—Illinois	Central Illinois Public Service Co.	900

It is stated that each end-user would pay Applicant a unit transportation charge of 43.37 cents per Mcf for volumes received from Beckham, Custer, Dewey, Ellis, Kingfisher, Woodward and Garfield Counties, Oklahoma, and a unit transportation charge of 69.84 cents per Mcf for volumes received from Woods County, Oklahoma and Hansford County, Texas. Applicant would redeliver the gas to the local distribution companies pursuant to each agreement, it is indicated.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

6. Panhandle Eastern Pipe Line Company

[Docket No. CP86-670-000]

August 22, 1986.

Take notice that on August 13, 1986, Panhandle Eastern Pipe Line Company (Applicant), P.O. Box 1642, Houston, Texas 77251-1642, filed in Docket No. CP86-670-000 an application pursuant to section 7(c) of the Natural Gas Act and the regulations thereunder for a certificate of public convenience and

necessity authorizing the transportation of natural gas on behalf of Cabot Corporation (Cabot) for a limited term through June 9, 1988, all as more fully set forth in the application which is on file with the Commission and open for inspection.

Applicant requests Commission authorization to transport up to 6,000 Mcf per day of natural gas on behalf of Cabot pursuant to a transportation agreement dated June 9, 1986, between Applicant, Cabot and Kokomo Gas and Fuel Company (Kokomo), an existing sales customer of Applicant. Applicant proposes to receive the gas, which Cabot is purchasing from Reliance Pipeline Company, at 27 existing points of receipt on Applicant's system located in Texas, Oklahoma and Kansas. Applicant states that it would redeliver the gas for Cabot's account to Kokomo at the existing sales meter in Section 2, Township 21 North, Range 4 East, Tipton County, Indiana and that Kokomo would ultimately deliver the gas to Cabot in Kokomo, Indiana. The transportation rate for this service is pursuant to Applicant's Rate Schedule PT. Applicant requests authority to add and delete from the Agreement points of receipt already connected to Applicant's system, subject to certain reporting requirements of the Commission.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

7. Panhandle Eastern Pipe Line Company

[Docket No. CP86-660-000]

August 22, 1986.

Take notice that on August 7, 1986, Panhandle Eastern Pipe Line Company (Applicant), P.O. Box 1642, Houston, Texas 77251-1642, filed in Docket No. CP86-660-000 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the receipt, transportation and redelivery of natural gas for Columbia Gas of Ohio (Columbia) and the construction and operation of a point of interconnection between the Applicant and Columbia, all as more fully set forth in the application which is on file with the Commission and open for public inspection.

It is stated that pursuant to a transportation agreement between the Applicant and Columbia dated May 16, 1986, Applicant proposes to transport on an interruptible basis up to 85,000 Mcf per day of natural gas for Columbia. Applicant would provide the proposed service for a primary term of five years, which would remain in full force and

effect for a secondary term not to exceed five years beyond the primary term. Applicant states that the gas to be transported is for Columbia's system supply for the ultimate distribution and consumption by Columbia's customers in Ohio.

Applicant states that it would receive gas for Columbia's account at various existing points of interconnection between Applicant and Columbia's suppliers and redeliver the volumes to the Columbia system at the proposed point of interconnection between Applicant and Columbia. Applicant further requests authority to construct the proposed point of interconnection with Columbia in Maunee, Lucas County, Ohio. The estimated cost of the facilities is \$330,000 which Columbia would reimburse the Applicant.

It is stated that for the proposed transportation service, Applicant would charge Columbia a unit transportation charge of 69.84 cents per Mcf received at the Phillip Hansford Plant and the F&M plant or 43.37 cents per Mcf at the remaining twenty-four receipt points. It is alleged that such rates are based on Applicant's Rate Schedule PT filed in Docket No. RP86-116-000 which the Commission accepted by order dated June 27, 1986, subject to refund and certain conditions.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

8. Tennessee Gas Pipeline Company, a Division of Tenneco Inc.

[Docket No. CP 86-668-000]

August 22, 1986.

Take notice that on August 12, 1986, Tennessee Gas Pipeline Company, a Division of Tenneco Inc. (Applicant), Post Office Box 2511, Houston, Texas 77001, filed in Docket No. CP86-668-000 an application pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the transportation of natural gas for AlaTenn Energy Marketing Company, Inc. (ATEMCO), agent for Alabama-Tennessee Natural Gas Company (Alabama-Tennessee), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that pursuant to a transportation agreement dated August 11, 1986, between Applicant and ATEMCO, Applicant would transport up to 120,000 dt equivalent of natural gas per day on an interruptible basis on behalf of ATEMCO. Applicant states that it would receive the gas at seventeen existing interconnections from Pruet Production Company (Pruet)

at Cooper Creek Field and Maple Branch Field in Lowndes County, Mississippi; Buttahatchie River Field, South Aberdeen Field, Tombigbee Field, and Wise Gap Field, Monroe County, Mississippi; County Line Field, in Monroe and Lowndes Counties, Mississippi; and Star Field, Millport Field, Splunge Field, and Mallory Field in Lamar County, Alabama. Applicant states that the redelivery would be made at existing interconnections to Alabama-Tennessee at Corinth Sales in Alcorn County, Mississippi, and Barton Sales in Colbert County, Alabama.

Applicant also requests authority to add and delete receipt points, which may require construction and operation of additional facilities under Applicant's blanket certificate in Docket No. CP82-413-000. Applicant states that it will file annually, on or before March 31, tariff revisions, as necessary to inform the Commission of receipt point additions or deletions.

Applicant further states that ATEMCO would pay a transportation charge equal to the product of 6.80 cents per dt equivalent or 13.84 cents per dt equivalent as applicable, times the total quantity in dt's delivered, plus the effective GRI surcharge. Applicant states that ATEMCO would also provide gas for its system fuel and uses, and lost and unaccounted-for gas.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

9. Texas Gas Transmission Corporation

[Docket No. CP86-227-001]

August 22, 1986.

Take notice that on August 11, 1986, Texas Gas Transmission Corporation (Petitioner), P.O. Box 1160, Owensboro, Kentucky 42302, filed in Docket No. CP86-227-001, a petition to amend the order issued June 23, 1986, as further amended on February 20, 1987, and February 10, 1987, in Docket No. CP86-227, pursuant to section 7(c) of the Natural Gas Act so as to authorize the addition of certain acreage to its Midland Gas Storage Field, Muhlenberg County, Kentucky (Midland), all as more fully described in the petition to amend which is on file with the Commission and open to public inspection.

Petitioner states that recent reservoir engineering studies and pressure analyses indicate the subject acreage to be in communication with Midland. To protect the integrity of the storage field, Texas Gas proposes to add this acreage to the project at a cost of \$1,365,335.50. Texas Gas also states that no new facilities will be constructed and no new sales or services are proposed.

Comment date: September 12, 1986, in accordance with the first subparagraph of Standard Paragraph F at the end of this notice.

10. Transco Gas Services Company, Inc.

[Docket No. CP86-673-000]

August 22, 1986.

Take notice that on August 13, 1986, Transco Gas Services Company, Inc. (Gas Services), Post Office Box 1396, Houston, Texas 77251, filed an application pursuant to section 7(c) of the Natural Gas Act for a limited term certificate of public convenience and necessity with pregranted abandonment authorizing a new storage service for a term expiring March 31, 1987, to Long Island Island Lighting Company (LILCO), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Gas Services states that the proposed new storage service is made possible by the combination of separate storage arrangements which it has entered into with North Penn Gas Company (North Penn) and Penn-York Energy Corporation (Penn-York) for storage service to be provided from storage fields in Pennsylvania and New York. Additionally, Gas Services states that it has entered into arrangements with National Fuel Gas Supply Corporation (National Fuel) and Transylvania Gas Pipeline Company, Inc. (Transylvania) for the necessary firm transportation of storage quantities.

Gas Services further states that it would provide LILCO with 2.22 Bcf of top gas storage capacity and peak-day withdrawal capability of 20,636 Mcf of natural gas per day as set forth in a one year firm gas storage agreement with LILCO. Gas Services states that the proposed rates for such service entails an accumulation of the charges for the storage and transportation services rendered to Gas Services by North Penn, Penn York, National Fuel and Transylvania, herein after collectively referred to as Suppliers. The proposed rates include a monthly demand charge payable for each of the five months November 1, 1986 through March 31, 1987, of \$27.25 per Mcf of storage demand, a monthly capacity charge for the five months of 16.72 cents per Mcf of annual capacity, and injection and withdrawal charges of .474 cents per Mcf. It is stated that the rates for storage service would be subject to tracking adjustments to reflect any changes in the costs and charges of Suppliers providing services of Gas Services.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

11. Trunkline Gas Company

[Docket No. CP86-659-000]

August 22, 1986.

Take notice that on August 7, 1986, Trunkline Gas Company (Trunkline), P.O. Box 1642, Houston, Texas 77251, filed in Docket No. CP86-659-000 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the transportation of natural gas for Brandywine Industrial Gas, Inc. (Brandywine), a wholly-owned gas marketing subsidiary of Conoco, Inc. (Conoco), and Elf Aquitaine, Inc. (Elf), all as more fully set forth in the application which is on file with the Commission and open for public inspection.

Trunkline requests authorization to construct and operate 3.9 miles of ten-inch pipeline from Conoco's platform in Ewing Bank Block 305, offshore Louisiana, to a subsea tie-in value in Grand Isle Block 82, offshore Louisiana, one measuring station and appurtenant facilities, and perform this service pursuant to section 7(c) of the Natural Gas Act. Trunkline states that the total estimated construction cost of the proposed facilities is \$2,800,000. Trunkline states that Conoco would reimburse Trunkline for the cost of the lateral.

Pursuant to two transportation agreements, both dated July 11, 1986, Trunkline stated that it has agreed to transport up to 50,000 Mcf of natural gas per day on a firm basis and up to 50,000 Mcf of natural gas per day on an interruptible basis on behalf of Brandywine. For the firm transportation service Brandywine and Elf would pay Trunkline a demand charge of \$3,375, which is representative of operation and maintenance expenses for the proposed pipeline. For the interruptible transportation service, Brandywine and Elf would pay Trunkline a unit transportation charge of 10.66 cents per Mcf for natural gas volumes redelivered at the redelivery point with Transcontinental Gas Pipe Line Corporation in Beauregard Parish, Louisiana, and the redelivery point with Columbia Gulf Transmission Company in St. Mary Parish, Louisiana. Brandywine and Elf would pay Trunkline a unit transportation charge of 43.22 cents per Mcf for natural gas volumes redelivered at the Dyer County, Tennessee, redelivery point with Texas

Gas Transmission Corporation and 44.55 cents per Mcf for volumes redelivered at the redelivery point with Consumers Power Company in Elkhart County, Indiana. Redeliveries at the Vermilion Parish, Louisiana, interconnect with Sabine Pipeline Company would have a unit transportation charge of 11.99 cents per Mcf.

Comment date: September 12, 1986, in accordance with Standard Paragraph F at the end of this notice.

12. Williston Basin Interstate Pipeline

[Docket No. CP86-641-000]

August 22, 1986.

Take notice that on July 30, 1986, as supplemented August 7, 1986, Williston Basin Interstate Pipeline (Williston Basin), Suite 200, 304 East Rosser Avenue, Bismarck, North Dakota 58501, filed in Docket No. CP86-641-000 a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to construct and operate two sales taps and appurtenant pipeline facilities, under the authorization issued in Docket No. CP82-487-000, *et al.*, pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Williston Basin proposes to construct and operate a sales taps, a town border station and appurtenant facilities to supply natural gas to Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (Montana-Dakota) in order to serve the City of Spearfish, South Dakota. An existing 4.5-inch diameter lateral pipeline currently provides services to the north side of the City of Spearfish. It is stated that the tap and appurtenant facilities are required to serve the growth area along the south side of the City of Spearfish, along with maintaining natural gas linepack in the Spearfish distribution system. Williston Basin also proposes to construct an additional sales tap for deliveries to Montana-Dakota at the Centennial Quarry. The cost of these facilities proposed, herein is estimated at \$37,500.

Comment date: October 6, 1986, in accordance with Standard Paragraph G at the end of this notice.

Standard Paragraphs:

F. Any person desiring to be heard or make any protest with reference to said filing should on or before the comment date file with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC

20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of practice and procedure (18 CFR 385.211 and 385.214) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by sections 7 and 15 of the Natural Gas Act and the Commission's Rules of practice and procedure, a hearing will be held without further notice before the Commission or its designee on this filing if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for the applicant to appear or be represented at the hearing.

G. Any person or the Commission's staff may, within 45 days after the issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to § 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefor, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-19512 Filed 8-27-86; 8:45 am]

BILLING CODE 6717-01-M

ENVIRONMENTAL PROTECTION AGENCY

[OPP-180701; FRL-3071-6]

Receipt of Application for an Emergency Exemption From Virginia To Use Dichlorprop; Solicitation of Public Comment**AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Notice.

SUMMARY: EPA has received specific exemption request from the Virginia Department of Agriculture and Consumer Services (hereafter referred to as "Applicant") to use the pesticide dichlorprop (2,4-DP) (CAS 120-36-5) to treat 21,000 acres of apples to control premature abscission. EPA, in accordance with 40 CFR 166.24, is required to issue a notice of receipt and solicit public comment before making the decision whether to grant the exemption.

DATE: Comments must be received on or before September 12, 1986.

ADDRESS: Three copies of written comments, bearing the identification notation "OPP-180701" should be submitted by mail to: Information Services Section, Program Management and Support Division (TS-757C), Office of Pesticide Programs, Environmental Protection Agency, 401 M. St., SW., Washington, DC 20460. In person, bring comments to: Rm. 236, CM#2, 1921 Jefferson Davis Highway, Arlington, VA.

Information submitted in any comment concerning this notice may be claimed confidential by marking any part or all of that information as "Confidential Business Information." Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR Part 2. A copy of the comment that does not contain Confidential Business Information must be provided by the submitter for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice. All written comments filed pursuant to this notice will be available for public inspection in Rm. 236, Crystal Mall No. 2, 1921 Jefferson Davis Highway, Arlington, VA, from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

FOR FURTHER INFORMATION CONTACT: By mail: Jim Tompkins, Registration Division (TS-767C), Office of Pesticide Programs, Environmental Protection Agency, 401 M. St., SW., Washington, DC

20460. Office location and telephone number: Rm. 716D, Crystal Mall 2, 1921 Jefferson Davis Highway, Arlington, VA, (703-557-1806).

SUPPLEMENTARY INFORMATION: Pursuant to section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (7 U.S.C. 136p), the Administrator may, at his discretion, exempt a State agency from any registration provision of FIFRA if he determines that emergency conditions exist which require such exemption.

The Applicant has requested the Administrator to issue a specific exemption for the use of dichlorprop on apples to inhibit apple abscission.

Information in accordance with 40 CFR Part 166 was submitted as part of this request. Dichlorprop is currently registered in the United States for non-food uses only. Dichlorprop is used in Japan to inhibit fruit drop.

The Applicant states that once an apple has dropped, its acceptance to the processor greatly diminishes. In some years when the crop is short, processors will accept dropped fruit for juice and processing. However, dropped fruit will be bruised, will not store as well as picked fruit, and is more costly to process because bruises, rots, cuts, etc. must be sorted out or trimmed out.

Labor to harvest the apple crop has been more difficult to obtain in recent years, thus causing more reliance on chemicals to control fruit drop. Without efficacious chemicals to control fruit drop, additional problems associated with harvest of immature fruit are likely to increase which will cause increases in storage problems, harvesting of small fruit, and lower yields.

Horticulturists in the 1930s and 1940s found several chemical compounds that could delay normal fruit drop. Among these were 2,4,5-TP and NAA (naphthaleneacetic acid) which were subsequently registered and have been used to control fruit drop in Virginia. In recent years, Alar (daminozide) has also been found to control fruit drop as well as increasing fruit firmness and storability.

Alar became important to the apple industry in 1985 for its ability to delay fruit drop because EPA suspended use of 2,4,5-TP for preharvest fruit drop due to a dioxin contaminant from the manufacturing process. However, in 1985, EPA placed daminozide in the special review process to determine if lifetime exposure to food residues of daminozide could result in unreasonable risk to public health. This caused a number of major processors to write

letters to growers in 1986 stating that fruit treated with daminozide would not be accepted for processing. Growers are also considering not treating fresh market apples so off-grade apples can be sent for processing. NAA is now the only chemical currently cleared for control of preharvest fruit drop. In most years, NAA is inadequate because it is shortlived, and does not work beyond the second application.

In the late 70s, Canadian researchers showed that dichlorprop was as effective as 2,4,5-TP for control of preharvest apple drop at a slightly higher concentration. Since the dioxin contaminant found in the manufacture of 2,4,5-TP was not found in 2,4-DP, the Applicant felt that 2,4-DP was a logical replacement for 2,4,5-TP.

The Applicant estimates an increase in fruit drop in fruit grown for fresh market from 4.3 percent with the use of 2,4,5-TP or Alar to 13.5 percent without the proposed use of dichlorprop and an increase from 10.3 percent with the use of the above chemicals to 22.3 percent without the proposed use on apples grown for processing. Using a wholesale value of \$12 for a bushel of apples, the increase in fruit drop without the proposed use of dichlorprop would result in an increased loss of apples worth \$38 million.

The Applicant plans to treat up to 21,000 acres using a maximum of 630 kilograms active ingredient. Applications are proposed for a period from September 1, 1986 to October 20, 1986. A single application by ground application equipment at a rate of 10 to 20 ppm active ingredient will be made to fruit and foliage of apple trees 7 days before expected fruit drop. The Applicant proposes to use a formulation containing 10.5 percent 2,4-dichlorophenoxy propionic acid, triethanol amine salt, and 89.5 percent inert ingredients.

This notice does not constitute a decision by EPA on this application. The regulations governing section 18 require publication of a notice in the Federal Register of receipt of an application for a specific exemption proposing the first food use of an active ingredient (i.e., use of an active ingredient on a food or in a manner which otherwise would be expected to result in residues in a food, if no permanent tolerance, exemption from requirement of tolerance, or food additive regulation for residues of the pesticide on any food has been established for the active ingredient under section 408 (d) or (e) or 409 of the Federal Food, Drug, and Cosmetic Act)

(40 CFR 166.24(a)(2)). The regulations also provide for the opportunity for public comment.

Accordingly, interested persons may submit written views on this subject to the Program Management and Support Division at the address given above.

The Agency will review and consider all comments received during the comment period in determining whether to issue this emergency exemption request.

Dated: August 19, 1986.

James W. Akerman,

Acting Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 86-19492 Filed 8-27-86; 8:45 am]

BILLING CODE 6560-50-M

**[OPTS-59225; FRL 3071-5]
Thermoplastic Elastomer**

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA may upon application exempt any person from the premanufacturing notification requirements of section 5(a) or (b) of the Toxic Substances Control Act (TSCA) to permit the person to manufacture or process a chemical for test marketing purposes under section 5(h)(1) of TSCA. Requirements for test marketing exemption (TME) applications, which must either be approved or denied within 45 days of receipt, are discussed in EPA's final rule published in the Federal Register of May 13, 1983 (48 FR 21722). This notice, issued under section 5(h)(6) of TSCA, announces receipt of one application for exemption, provides a summary, and requests comments on the appropriateness of granting the exemption.

DATE: Written comments by: September 12, 1986.

ADDRESS: Written comments, identified by the document control number "[OPTS-59225]" and the specific TME number should be sent to: Document Control Officer (TS-790), Confidential Data Branch, Information Management Division, Office of Toxic Substances, Environmental Protection Agency, Rm. E-201, 401 M Street, SW., Washington, DC 20460, (202) 382-3532.

FOR FURTHER INFORMATION CONTACT: Wendy Cleland-Hamnett, Premanufacture Notice Management Branch, Chemical Control Division (TS-794), Office of Toxic Substances, Environmental Protection Agency, Rm. E-611, 401 M Street, SW., Washington, DC 20460, (202) 382-3725.

SUPPLEMENTARY INFORMATION: The following notice contains information extracted from the non-confidential version of the submission provided by the manufacturer on the TMEs received by EPA. The complete non-confidential document is available in the Public Reading Room NE-G004 at the above address between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding legal holidays.

T 86-53

Close of Review Period. September 3, 1986.

Importer. Confidential.

Chemical (G) Thermoplastic elastomer.

Use/Import. (S) Industrial tube, sealing, etc. for industrial instruments. Import range: Confidential.

Toxicity Data. Ames test: Non-Mutagenic.

Exposure. Processing: a total of > 100 workers, up to 6 hrs/da.

Environmental Release/Disposal No release.

Dated: August 21, 1986.

Denise Devoe,

Acting Division Director, Information Management Division.

[FR Doc. 86-19494 Filed 8-27-86; 8:45 am]

BILLING CODE 6560-50-M

FEDERAL COMMUNICATIONS COMMISSION

Public Information Collection Requirement Submitted to Office of Management and Budget for Review

August 22, 1986.

The Federal Communications Commission has submitted the following information collection requirement to the Office of Management and Budget for review and clearance under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

Copies of the submission are available from Jerry Cowden, Federal Communications Commission, (202) 632-7513. Persons wishing to comment on this information collection should contact J. Timothy Sprehe, Office of Management and Budget, Room 3235 NEOB, Washington, DC 20503, (202) 395-4814.

OMB Number: None.

Title: Section 97.521, Question Pools.

Action: New collection.

Respondents: Volunteer examiner coordinators (VEC's) for the Amateur Radio Service.

Estimated Annual Burden: 3 Recordkeepers; 480 Hours.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 86-19508 Filed 8-27-86; 8:45 am]

BILLING CODE 6712-01-M

Applications for Consolidated Hearing; John R. Powley et al.

1. The Commission has before it the following mutually exclusive applications for renewal of license for WHGM (FM) filed by John R. Powley and for a new FM station filed by Elizabeth L. McCumbee & Rocky L. McCumbee d/b/a Relm Communications.

Applicant City and State	File No.	MM Docket No.
A. John R. Powley, Bellwood, PA.	BRH-84033016	86-342
B. Elizabeth L. McCumbee & Rocky L. McCumbee d/b/a Relm Communications, Bellwood, PA.	BPH-8406291J	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347 May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue Heading Applicant(S)

1. Comparative, A, B

2. Ultimate, A, B

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M Street, NW., Washington, DC 20037 (Telephone No. (202) 857-3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

[FR Doc. 86-19506 Filed 8-27-86; 8:45 am]

BILLING CODE 6712-01-M

**FEDERAL EMERGENCY
MANAGEMENT AGENCY****Wisconsin; Major Disaster and Related
Determinations****[FEMA-770-DR]****AGENCY:** Federal Emergency
Management Agency.**ACTION:** Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Wisconsin (FEMA-770-DR), dated August 14, 1986, and related determination.

DATED: August 14, 1986.**FOR FURTHER INFORMATION CONTACT:**

Sewall H.E. Johnson, Disaster Assistance Programs, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3616.

Notice

Notice is hereby given that, in a letter of August 14, 1986, the President declared a major disaster under the authority of the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 *et seq.*, Pub. L. 93-288), as follows:

I have determined that the damage in certain areas of the State of Wisconsin resulting from severe storms on August 6, 1986, is of sufficient severity and magnitude to warrant a major-disaster declaration under Pub. L. 93-288. I therefore declare that such a major disaster exists in the State of Wisconsin.

In order to provide Federal assistance, you are hereby authorized to allocate, from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under Pub. L. 93-288 for Public Assistance will be limited to 75 percent of total eligible costs in the designated area.

Pursuant to section 408(b) of Pub. L. 93-288, you are authorized to advance to the State its 25 percent share of the Individual and Family Grant program, to be repaid to the United States by the State when it is able to do so.

The time period prescribed for the implementation of section 313(a), priority to certain applications for public facility and public housing assistance, shall be for a period not to exceed six months after the date of this declaration.

Notice is hereby given that pursuant to the authority vested in the Director of the Federal Emergency Management Agency under Executive Order 12148, I hereby appoint Mr. Ronald Buddecke of the Federal Emergency Management Agency to act as the Federal Coordinating Officer for this declared disaster.

I do hereby determine the following area of the State of Wisconsin to have been affected adversely by this declared major disaster and is designated eligible as follows: Milwaukee

County for Individual Assistance and Public Assistance.

(Catalog of Federal Domestic Assistance No. 83-516, Disaster Assistance.) (Billing Code 6718-02)

Julius W. Becton,

Director.

[FR Doc. 86-19474 Filed 8-27-86; 8:45 am]

BILLING CODE 6718-01-M

[FEMA-770-DR]**Wisconsin; Amendment to Notice of a
Major-Disaster Declaration****AGENCY:** Federal Emergency
Management Agency.**ACTION:** Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Wisconsin (FEMA-770-DR), dated August 14, 1986, and related determinations.

DATED: August 20, 1986.**FOR FURTHER INFORMATION CONTACT:**

Sewall H.E. Johnson, Disaster Assistance Programs, Federal Emergency Management Agency, Washington, DC 20472, (202) 646-3616.

Notice

The notice of a major disaster for the State of Wisconsin, dated August 14, 1986, is hereby amended to include the following area among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of August 14, 1986: Waukesha County as an adjacent area for Individual Assistance.

(Catalog of Federal Domestic Assistance No. 83-516, Disaster Assistance)

Samuel W. Speck,

Associate Director, State and Local Programs and Support, Federal Emergency Management Agency.

[FR Doc. 86-19475 Filed 8-27-86; 8:45 am]

BILLING CODE 6718-02-M

FEDERAL MARITIME COMMISSION**Notice of Agreement(s) Filed**

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, D.C. Office of the Federal Maritime Commission, 1100 L Street, NW, Room 10325. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573,

within 10 days after the date of the Federal Register in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 224-010985.

Title: Yamashita-Shinnihon/Calpac Terminals Container Freight Station Agreement.

Parties: Yamashita-Shinnihon Steamship Company, Ltd. (Y-S Line); Calpac Terminals, Inc. (Calpac).

Synopsis: The proposed agreement would permit Calpac to provide space, facilities and container freight station (CFS) services at its CFS in Compton, California to Y-S Line. The parties have requested a shortened review period.

By Order of the Federal Maritime Commission.

Dated: August 25, 1986.

Joseph C. Polking,

Secretary.

[FR Doc. 86-19526 Filed 8-27-86; 8:45 am]

BILLING CODE 6730-01-M

**FEDERAL MEDIATION AND
CONCILIATION SERVICE****President's Advisory Committee on
Mediation and Conciliation; Meeting**

Pursuant to section 10 of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the President's Advisory Committee on Mediation and Conciliation will be held on Tuesday, September 16, 1986, from 9:00 a.m. to 5:00 p.m. in Room 538 of the Commodity Futures Trading Commission, 2033 K Street, NW., Washington, DC 20581.

The purpose of the meeting is to obtain the views of representatives of labor and management, and other qualified individuals, on cooperative programs, including training in decision making processes, contract administration, and grievance and arbitration procedures. A hearing procedure will be followed in which the views of witnesses will be transcribed for the record.

The meeting will be open to the public. Interested persons may file written statements with the Committee, and subject to reasonable Committee procedures may also make oral statements on matters germane to subjects under consideration at the meeting.

Further information regarding this meeting may be obtained from Mr.

Dennis R. Minshall, Executive Director, President's Advisory Committee on Mediation and Conciliation, Federal Mediation and Conciliation Service, 2100 K Street, NW., Washington, DC 20427, or call (202) 653-5290.

Dated: August 19, 1986.

Duane M. Buckmaster,
Deputy Director, Federal Mediation and Conciliation Service.

[FR Doc. 86-19415 Filed 8-27-86; 8:45 am]

BILLING CODE 6372-01-M

FEDERAL RESERVE SYSTEM

F&M Financial Services Corp. et al.; Applications To Engage de Novo in Permissible Nonbanking Activities

The companies listed in this notice have filed an application under § 225.23(a)(1) of the Board's Regulation Y (12 CFR 225.23(a)(1)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to commence or to engage *de novo*, either directly or through a subsidiary, in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than September 16, 1986.

A. Federal Reserve Bank of Chicago
(Franklin D. Dreyer, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *F&M Financial Services Corporation*, Menomonee Falls, Wisconsin; to engage *de novo* through its subsidiary, F&M Trust Company, Inc., Menomonee Falls, Wisconsin, in performing all of the functions and activities authorized under Wisconsin law for a trust company bank pursuant to § 225.25(b)(3) of the Board's Regulation Y.

B. Federal Reserve Bank of San Francisco (Harry W. Green, Vice President) 101 Market Street, San Francisco, California 94105:

1. *Viejo Bancorp.*, Mission Viejo, California; to engage *de novo* through its subsidiary, Viejo Home Loan, Inc., Mission Viejo, California, in mortgage banking activities including the origination, acquisition, selling and servicing of real estate secured loans pursuant to § 225.25(b)(1) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, August 22, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86-19486 Filed 8-27-86; 8:45 am]

BILLING CODE 6210-01-M

Hartford National Corp. et al.; Formations of; Acquisitions by; and Mergers of Bank Holding Companies

The companies listed in this notice have applied for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) and § 225.14 of the Board's Regulation Y (12 CFR 225.14) to become a bank holding company or to acquire a bank or bank holding company. The factors that are considered in acting on the applications are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank or to the offices of the Board of Governors. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Unless otherwise noted, comments regarding each of these applications

must be received not later than September 19, 1986.

A. Federal Reserve Bank of Boston
(Robert M. Brady, Vice President) 600 Atlantic Avenue, Boston, Massachusetts 02106:

1. *Hartford National Corporation*, Hartford, Connecticut; to acquire 100 percent of the voting shares of Charter Financial Corporation, and thereby indirectly acquiring Framingham Trust Company, both of Framingham, Massachusetts.

Hartford National has also applied to acquire 100 percent of the voting shares of First New England Bankshares Corp., and thereby indirectly acquiring First Bristol County National Bank, both of Taunton, Massachusetts.

B. Federal Reserve Bank of Richmond
(Lloyd W. Bostian, Jr., Vice President) 701 East Byrd Street, Richmond, Virginia 23261:

1. *Mountaineer Bankshares of W. Va., Inc.*, Martinsburg, West Virginia; to acquire 100 percent of the voting shares of First National Bank of Salem, Salem, West Virginia.

C. Federal Reserve Bank of Atlanta
(Robert E. Heck, Vice President) 104 Marietta Street, NW., Atlanta, Georgia 30303:

1. *CB&T Bancshares, Inc.*, Columbus, Georgia; to merge with First Camden Bancorporation, St. Marys, Georgia, thereby indirectly acquiring First National Bank of Camden County, St. Marys, Georgia.

D. Federal Reserve Bank of St. Louis
(Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63166:

1. *Lincolndale Bancorp., Inc.*, Dale, Indiana; to acquire 100 percent of the voting shares of Farmers State Bank, Rockport, Indiana.

2. *Silex Bancshares, Inc.*, Silex, Missouri; to become a bank holding company by acquiring at least 90 percent of the voting shares of Silex Banking Company, Silex, Missouri.

Board of Governors of the Federal Reserve System, August 22, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86-19487 Filed 8-27-86; 8:45 am]

BILLING CODE 6210-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control

Injury Research Grant Review Committee Establishment

Pursuant to Federal Advisory Committee Act, 5 U.S.C. Appendix 2, the

Centers for Disease Control announces the establishment by the Secretary of Health and Human Services, on August 20, 1986, of the following Federal advisory committee:

Designation: Injury Research Grant Review Committee.

Purpose: This Committee will provide advice and guidance to the Secretary of Health and Human Services, the Assistant Secretary for Health, and the Director, Centers for Disease Control, regarding the scientific merit and technical feasibility of grant applications relating to the support of injury control research and demonstration projects and injury prevention research centers.

Authority for this Committee will expire August 20, 1987, unless the Secretary of Health and Human Services, with the concurrence of the Committee Management Secretariat, General Services Administration, formally determines that continuance is in the public interest.

Dated: August 22, 1986.

Robert L. Foster,

Assistant Director, Office of Program Support,
Centers for Disease Control.

[FR Doc. 86-19459 Filed 8-27-86; 8:45 am]

BILLING CODE 4160-18-M

National Institutes of Health

Meeting of National Advisory Allergy and Infectious Diseases Council, Allergy and Immunology Subcommittee, Microbiology and Infectious Diseases Subcommittee

Pursuant to Pub. L. 92-463, notice is hereby given of the meeting of the National Advisory Allergy and Infectious Diseases Council, National Institute of Allergy and Infectious Diseases, and its subcommittees on September 25-26, 1986, at the National Institutes of Health, Building 31C, Conference Room 6, Bethesda, Maryland 20892.

The meeting will be open to the public on September 25 from approximately 9:00 a.m. to 9:30 a.m. for opening remarks of the Institute Director and again from 1:30 p.m. to approximately 5:00 p.m. for discussion of procedural matters, Council business, and a report from the Institute Director which will include a discussion of budgetary matters. The primary program discussions will be on Acquired Immunodeficiency Syndrome. On September 26 the meeting will be open to the public from approximately 8:30 a.m. to 9:30 a.m. for a report of the Intramural Research Program and reports of the Director of the

Microbiology and Infectious Diseases Program and the Director of the Immunology, Allergic and Immunologic Diseases Program.

In accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5, U.S. Code and section 10(d) Pub. L. 92-463, the meeting of the NAAIDC Allergy and Immunology Subcommittee and of the NAAIDC Microbiology and Infectious Diseases Subcommittee will be closed to the public for approximately three hours for the review, evaluation, and discussion of individual grant applications. It is anticipated that this will occur from 9:30 a.m. until approximately 12:30 p.m. on September 25. The meeting of the full Council will be closed from approximately 9:30 a.m. until adjournment on September 26 for the review, evaluation, and discussion of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Ms. Patricia Randall, Office of Research Reporting and Public Response, National Institute of Allergy and Infectious Diseases, Building 31, Room 7A-32, National Institutes of Health, Bethesda, Maryland 20892, telephone (301) 496-5717, will provide summaries of the meetings and rosters of the committee members.

Dr. John W. Diggs, Director, Extramural Activities Program, NIAID, NIH, Westwood Building, Room 703, telephone (301) 496-7291, will provide substantive program information.

(Catalog of Federal Domestic Assistance Program Nos. 13.855, Pharmacological Sciences; 13.856, Microbiology and Infectious Diseases Research, National Institutes of Health)

Dated: August 20, 1986.

Betty J. Beveridge,

NIH Committee Management Officer.

[FR Doc. 86-19461 Filed 8-27-86; 8:45 am]

BILLING CODE 4140-01-M

Meeting of National Advisory Environmental Health Sciences Council

Pursuant to Pub. L. 92-463, notice is hereby given of the meeting of the National Advisory Environmental Health Sciences Council, September 15-16, 1986 at the National Institute of Environmental Health Sciences, Building 101 Conference Room, South Campus, Research Triangle Park, North Carolina.

This meeting will be open to the public on September 15 from 9 a.m. to approximately 12 noon for the report of the Director, NIEHS, and for discussion of the NIEHS budget, program policies and issues, recent legislation, and other items of interest. Attendance by the public will be limited to space available.

In accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5, U.S. Code and section 10(d) of Pub. L. 92-463, the meeting will be closed to the public September 15, from approximately 1:00 p.m. to adjournment on September 16, for the review, discussion and evaluation of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Winona Herrell, Committee Management Officer, NIEHS, Bldg. 31, Rm. 2B55, NIH, Bethesda, Md. 20892 (301) 496-3511, will provide summaries of the meeting and rosters of council members.

Dr. Anne Sassaman, Associate Director for Extramural Program, NIEHS, P.O. Box 12233, Research Triangle Park, North Carolina 27709, (919) 541-7723, FTS 629-7723, will furnish substantive program information.

(Catalog of Federal Domestic Assistance Program Nos. 13.112, Characterization of Environmental Health Hazards; 13.113, Biological Response to Environmental Health Hazards; 13.114, Applied Toxicological Research and Testing; 13.115, Biometry and Risk Estimation; 13.894, Resource and Manpower Development, National Institutes of Health)

Dated: August 20, 1986.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 86-19462 Filed 8-27-86; 8:45 am]

BILLING CODE 4140-01-M

Meeting of the National Advisory Research Resources Council

Pursuant to Pub. L. 92-463, notice is hereby given of the meeting of the National Advisory Research Resources Council, Division of Research Resources (DRR), on September 18-19, 1986, at the National Institutes of Health, Conference Room 10, Building 31-C, 9000 Rockville Pike, Bethesda, Maryland 20892.

This meeting will be open to the public on September 18 from 9:00 a.m.

until 2:00 p.m., and from 9:00 a.m. until 10:15 a.m. on September 19 for discussions on administrative matters such as previous meeting minutes; the Report of the Director, DRR; future meeting dates; and budget and legislative updates. A representative from the NIH Office of Program Planning and Evaluation will present an overview of NIH research training programs, and the Director of the DRR's General Clinical Research Centers (GCRC) Program will report on Program activities. Attendance by the public will be limited to space available.

In accordance with provisions set forth in section 552b(c)(4) and 552b(c)(6), Title 5, U.S. Code and Section 10(d) of Pub. L. 92-463, the meeting will be closed to the public on September 18 from 2:00 p.m. until recess and from 10:15 a.m. until adjournment on September 19 for the review, discussion and evaluation of individual grant applications. The applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mr. James Augustine, Information Officer, DRR, Building 31, Room 5B10, National Institutes of Health, Bethesda, Maryland 20892, 301/496-5545, will provide a summary of the meeting and a roster of the Council members upon request. Dr. James F. O'Donnell, Deputy Director, DRR, Building 31, Room 5B03, National Institutes of Health, Bethesda, Maryland 20892, 301/496-6023, will furnish substantive program information upon request, and will receive any comments pertaining to this announcement.

(Catalog of Federal Domestic Assistance Program Nos. 13.306, Laboratory Animal Sciences and Primate Research; 13.333, Clinical Research; 13.337, Biomedical Research Support; 13.371 Biomedical Research Technology; 13.375, Minority Biomedical Research Support, National Institutes of Health)

Dated: August 20, 1986.

Betty J. Beveridge,

NIH Committee Management Officer.

[FR Doc. 86-19463 Filed 8-27-86; 8:45 am]

BILLING CODE 4140-01-M

Meeting of National Arthritis, Diabetes, and Digestive and Kidney Diseases Advisory Council and its Subcommittees

Pursuant to Pub. L. 92-463, notice is hereby given of a meeting of the

National Arthritis, Diabetes, and Digestive and Kidney Diseases Advisory Council and its subcommittees, to provide advice to the National Institute of Arthritis and Musculoskeletal and Skin Diseases and the National Institute of Diabetes and Digestive and Kidney Diseases, on September 24 and 25, 1986 Wilson Hall, Building 1, National Institutes of Health, Bethesda, Maryland. The meeting will be open to the public September 24 from 8:30 a.m. to 12:00 p.m. to discuss administration, management, and special reports. Attendance by the public will be limited to space available.

The meeting of the full Council and its subcommittees will be closed to the public as indicated below in accordance with provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5, U.S. Code and section 10(d) of Pub. L. 92-463, for the review, discussion and evaluation of individual grant applications. These deliberations could reveal confidential trade secrets or commercial property, such as patentable materials, and personal information concerning individuals associated with the applications, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

The following subcommittees will be closed to the public on September 24, 1986, from 1:00 p.m. to adjournment: Arthritis, Musculoskeletal and Skin Diseases; Diabetes, Endocrine, and Metabolic Diseases; Digestive Diseases and Nutrition; and Kidney, Urology and Hematology. The full Council meeting will be closed to the public on September 25 from 8:30 a.m. to approximately 12:00 p.m.

The full Council meeting will then be open for the reports of the Division Directors on September 25 from approximately 1:00 p.m. to adjournment at 3:30 p.m.

Further information concerning the Council meeting may be obtained from Dr. Walter Stolz, Executive Secretary, National Arthritis, Diabetes, and Digestive and Kidney Diseases Advisory Council, NIDDK, Westwood Building, Room 657, Bethesda, Maryland, (301) 496-7277.

A summary of the meeting and roster of the members may be obtained from the Committee Management Office, NIDDK, Building 31, Room 9A19, National Institutes of Health, Bethesda, Maryland 20892, (301) 496-6917.

(Catalog of Federal Domestic Assistance Program No. 13.846-849, Arthritis, Bone and Skin Diseases; Diabetes, Endocrine and Metabolic Diseases; Digestive Diseases and Nutrition; and Kidney Diseases, Urology and Hematology Research, National Institutes of Health)

Dated: August 20, 1986.

Betty J. Beveridge,

NIH Committee Management Officer.

[FR Doc. 86-19464 Filed 8-27-86; 8:45 am]

BILLING CODE 4140-01-M

Meeting of the National Advisory General Medical Sciences Council

Pursuant to Pub. L. 92-463, notice is hereby given of the meeting of the National Advisory General Medical Sciences Council, National Institute of General Medical Sciences, National Institutes of Health, on October 9 and 10, 1986, Building 31, Conference Room 6, Bethesda, Maryland.

This meeting will be open to the public on October 9, 1986, from 8:30 a.m. to 11:30 a.m. for opening remarks; report of the Director, NIGMS; a scientific presentation on pharmacology; and other business of the Council. Attendance by the public will be limited to space available.

In accordance with provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5, U.S. Code, and section 10(d) of Pub. L. 92-463, the meeting will be closed to the public on October 9 from 11:30 a.m. to 6:00 p.m., and on October 10, 1986, from 8:30 a.m. until adjournment, for the review, discussion, and evaluation of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mrs. Ann Dieffenbach, Public Information Officer, National Institute of General Medical Sciences, National Institutes of Health, Building 31, Room 4A52, Bethesda, Maryland 20892, Telephone: (301) 496-7301 will provide a summary of the meeting and a roster of council members. Dr. Ruth L. Kirschstein, Executive Secretary, NAGMS Council, National Institutes of Health, Westwood Building, Room 926, Bethesda, Maryland 20892, Telephone: (301) 496-7891 will provide substantive program information upon request.

(Catalog of Federal Domestic Assistance Program Nos. 13-821, Biophysics and Physiological Sciences; 13-859, Pharmacological Sciences; 13-862, Genetics Research; 13-863, Cellular and Molecular Basis of Disease Research; and 13-880, Minority Access to Research Careers [MARCI])

Dated: August 20, 1986

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 86-19465 Filed 8-27-86; 8:45 am]

BILLING CODE 4140-01-M

**National Institute of Diabetes and Digestive and Kidney Diseases
Meeting of Board of Scientific Counselors**

Pursuant to Pub. L. 92-463, notice is hereby given of the meeting of the Board of Scientific Counselors, National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), October 9, 10, and 11, 1986, National Institutes of Health, Building 2, Room 102, Bethesda, Maryland 20892.

This meeting will be open to the public from 8:00 p.m. to 10:10 p.m. on October 9; from 9:00 a.m. to 12:05 p.m. and from 2:05 p.m. to 4:25 p.m. on October 10; and from 9:00 a.m. to 10:30 a.m. on October 11. The open portion of the meeting will be devoted to scientific presentations by various laboratories of the NIDDK Intramural Research Program. Attendance by the public will be limited to space available.

In accordance with the provisions set forth in section 552b(c)(6), Title 5, U.S. Code and Section 10(d) of Pub. L. 92-463, the meeting will be closed to the public from 7:30 p.m. to 8:00 p.m. on October 9; from 12:05 p.m. to 2:00 p.m. and 4:25 p.m. to adjournment on October 10; and from 10:30 a.m. to adjournment on October 11 for the review, discussion and evaluation of individual intramural programs and projects conducted by the NIDDK, including consideration of personnel qualifications and performance, the competence of individual investigators, and similar items, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Summaries of the meeting and rosters of the members will be provided by the Committee Management Office, National Institute of Diabetes and Digestive and Kidney Diseases, Building 31, Room 9a 19 Bethesda, Maryland 20892. Further information concerning the meeting may be obtained by contacting the office of Dr. Jesse Roth, Executive Secretary, Board of Scientific Counselors, National Institute of Health, Building 10, Room 9N-222, Bethesda, Maryland 20892, (301) 496-4128.

Dated: August 20, 1986.

Betty J. Beveridge,

NIH Committee Management Office.

[FR Doc. 86-19466 Filed 8-27-86; 8:45 am]

BILLING CODE 4140-01-M

Public Health Service

President's Council on Physical Fitness and Sports; Meeting

AGENCY: Office of the Assistant Secretary for Health, HHS.

ACTION: Notice of meeting.

SUMMARY: This notice sets forth the schedule and proposed agenda of a forthcoming meeting of the President's Council on Physical Fitness and Sports. This notice also describes the functions of the Council. Notice of this meeting is required under the National Advisory Committee Act.

DATE: September 12, 1986, 9:00 a.m. to 2:00 p.m.

ADDRESS: Interstate Commerce Commission, Hearing Room A, 1st Floor, 12th and Constitution Avenue, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ash Hayes, Ed.D., Executive Director, President's Council on Physical Fitness and Sports, 450 Fifth Street, NW., Suite 7103, Washington, DC 20001 Telephone: (202) 272-3421.

SUPPLEMENTARY INFORMATION: The President's Council on Physical Fitness and Sports operates under Executive Order #12345, as amended, extended by Executive Order #12534 dated September 30, 1985, further amended by Executive Order #12539 dated December 3, 1985. The functions of the Council are: (1) To advise the President and Secretary concerning progress made in carrying out the provision of the Executive Order and recommending to the President and Secretary, as necessary, actions to accelerate progress; (2) Advise the Secretary on matters pertaining to the ways and means of enhancing opportunities for participation in physical fitness and sports activities; (3) Advise the Secretary on State, local, and private actions to extend and improve physical activity programs and services.

The Council will hold this meeting to apprise the Council members of the national program of physical fitness and sports, to reports on on-going Council programs, and to plan for future directions.

Dated: August 25, 1986.

Ash Hayes,

Executive Director, President's Council on Physical Fitness and Sports.

[FR Doc. 86-19519 Filed 8-27-86; 8:45 am]

BILLING CODE 4160-17-M

Social Security Administration

Redelegations of Authority Concerning Data Exchange Agreements

With certain exceptions, the Privacy Act of 1974 (5 U.S.C. 552a) curtailed the disclosure of information relating to individuals without their consent. One exception covers the release of data for "routine uses" (i.e., uses for purposes which are compatible with the purposes for which the records were collected). This information may be released when a notice of routine use is published in the Federal Register by the Agency making the release. The Privacy Act requires Federal agencies to establish methods and procedures to safeguard such information, and to protect information about individuals from improper disclosure.

To fulfill its obligations under the Privacy Act, the Social Security Administration (SSA), whether obtaining or providing such personal information, has developed and uses a variety of formal data exchange agreements, such as Safeguard Agreements, Safeguard Memoranda of Understanding, Beneficiary Earnings and Data Exchange Agreements, Matching Agreements, and Third Party Query Agreements.

Under these agreements, the parties agree to safeguard the information according to certain criteria, restrict access to it by their employees, and refrain from redisclosure except with the consent of the individuals concerned or as permitted by the agreement. Authority to make such agreements is vested with the Commissioner of Social Security (the Commissioner), with authority to redelegate (33 FR 5836-37, dated April 16, 1968).

Notice is hereby given that the Commissioner has redelegated this authority to other SSA officials, as follows:

Authority

Authority to negotiate, approve (sign), administer, and terminate nonreimbursable data exchange agreements between SSA and State/Local agencies or other parties, under which SSA obtains or provides information about individuals pursuant to "routine use" disclosure provisions of law and regulations.

Delegates	Scope of authority
1. Deputy Commissioner for Programs and Policy.	1. and 2. Data exchange agreements involving unusual sensitivity, precedent-setting features, or other special considerations, as determined by the Regional Commissioner having original jurisdiction.
2. Associate Commissioner for Policy.	Do.
3. Regional Commissioners.	3. Data exchange agreements with States or other parties within their respective jurisdiction, unless, in a particular case, the Regional Commissioner determines that special considerations require the authority to be exercised by the Deputy Commissioner for Programs and Policy, or the Associate Commissioner for Policy.

Conditions

a. These redelegations only apply to situations where the exchange of information between SSA and States or other parties is without reimbursement. Where reimbursement is involved, the information is to be exchanged through the Agency contracting process, under authority redelegated to contracting officers.

b. Further redelegations are authorized.

c. This authority must be exercised in accordance with all pertinent provisions of law, regulations, and national instructions.

These redelegations are effective on the date they are published in the **Federal Register**. I affirm and ratify any actions by the above delegates, or other officials with their approval, which amount to the exercise of this authority before that date.

Dated: August 12, 1986.

Dorcas R. Hardy,

Commissioner for Social Security.

[FR Doc. 86-19489 Filed 8-27-86; 8:45 am]

BILLING CODE 4190-11-M

ADVISORY COUNCIL ON HISTORIC PRESERVATION

Programmatic Memorandum of Agreement Regarding Management of Historical (Historical, Architectural, Archeological, and Cultural) Properties for Operation and Management of the Chief Joseph Dam Project, Eastern Washington

AGENCY: Advisory Council on Historic Preservation.

ACTION: Notice.

SUMMARY: The Advisory Council on Historic Preservation proposes to execute a Programmatic Memorandum of Agreement pursuant to § 800.8 of the Council's regulations, "Protection of Historic and Cultural Properties" (36

CFR Part 800), with the Seattle District, Corps of Engineers, and the Washington State Historic Preservation Officer for the management of historical properties affected by the operation and maintenance of the Chief Joseph Dam project in eastern Washington. The proposed Programmatic Memorandum of Agreement will establish mechanisms by which historical properties will be identified, evaluated, monitored, and protected in order to meet the requirements of section 106 of the National Historic Preservation Act (16 U.S.C. 470f).

Comments Due: September 29, 1986.

ADDRESS: Executive Director, Advisory Council on Historic Preservation, Western Division of Project Review, Suite 450, 730 Simms Street, Golden, Colorado 80401.

Dated: August 21, 1986

John M. Fowler,

Acting Executive Director.

[FR Doc. 86-19529 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-10-M

DEPARTMENT OF THE INTERIOR

Office of the Secretary

Privacy Act of 1974—Revision and Deletion of Notices of Systems of Records

Pursuant to the provisions of the Privacy Act of 1974, as amended (5 U.S.C. 552a), notice is hereby given that the Department of the Interior proposes to revise four notices describing systems of records maintained by the Bureau of Mines, and delete one notice from its inventory of notices of Privacy Act records systems. Except as noted below, all changes being published are editorial in nature, and reflect updating changes and other administrative revisions which have occurred since the publication of the material in the **Federal Register**. The four revised notices, published in their entirety below, are:

1. INTERIOR/WBM-2 (formerly EBM-2), Travel Advance File—Interior, Mines-2 (previously published on May 30, 1984, 49 FR 22544).
2. INTERIOR/WBM-3 (formerly EBM-3), Travel Voucher and Authorizations—Interior, Mines-3 (previously published on May 30, 1984, 49 FR 22545).
3. INTERIOR/WBM-4 (formerly EMB-4), Property Control—Interior, Mines-4 (previously published on May 30, 1984, 49 FR 22546).
4. INTERIOR/WBM-5 (formerly EMB-

5), Personnel Identification—Interior, Mines-5 (previously published on October 4, 1983, 48 FR 45314).

The notice being deleted from the Department's inventory of Privacy Act systems of records is titled: INTERIOR/EBM-9, Distribution Center and Film Borrower Record Cards—Interior, Mines-9, which was previously published on December 22, 1980, 45 FR 84165. A recent review in the Bureau of Mines and the Office of the Solicitor indicates that the records are no longer retrieved by the names or other identifiers of the individuals contained in the mailing lists.

In all four notices published below, the existing routine disclosure statement for litigation purposes is revised to incorporate the clarification on such disclosures prescribed by the Office of Management and Budget (OMB) in its supplementary guidelines dated May 24, 1985, for implementing the Privacy Act. Also, in all four notices the retention and disposal statements are amended to conform to guidelines issued by the Assistant Archivist for Records Administration, National Archives and Records Administration, in his memorandum to Agency Records Officers dated June 11, 1985. The statements describing the purposes, storage, and retrievability in WBM-3 have been updated to reflect the maintenance of the records in the Bureau's Automated Disbursement System.

Since these changes do not involve any new or intended use of the information in the systems of records, the notices shall be effective September 28, 1986. Additional information regarding these revisions may be obtained from the Department Privacy Act Officer, Office of the Secretary (PIR), Room 7357, Main Interior Building, U.S. Department of the Interior, Washington, DC 20240.

Dated: August 19, 1986.

Oscar W. Mueller, Jr.,

Director, Office of Information Resources Management.

INTERIOR/WBM-2

SYSTEM NAME:

Travel Advance File—Interior, Mines-2.

SYSTEM LOCATION:

Bureau of Mines, Division of Finance, Building 20, Denver Federal Center, Denver, Colorado 80225.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All Bureau of Mines employees who have active travel advances or who have closed travel advances.

CATEGORIES OF RECORDS IN THE SYSTEM:

File consists of signed forms whereon employees request travel advances for the purpose of paying travel expenses incurred in the performance of official government business. These forms also include repayments against any advances, whether by claims offset on travel vouchers or remittances by checks, money orders, etc., and records of overpayments and/or debts owed the Federal Government.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 4111(b), 5701-5709, 5721-5733, 5742(b).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary uses of the records are (a) to provide an accounting record of obligations due to the U.S. Government from employees authorized cash advances to defray expenses incurred in official travel. Payments to the traveler and repayments to the Government are reflected in the record; (b) to serve as a backup authority and manually reconciled file to the entries for travel advances in the automated Finance system; (c) computer data are reported to each Bureau office as part of the detailed composition of monthly expense reports applicable to charges made to cost accounts within the Finance system. Only data pertinent to individual Bureau offices are available to that office. Disclosures outside the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled; (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license; (3) to a

congressional office from the record of an individual in response to an inquiry the individual has made to the congressional office; (4) to a Federal agency which has requested information relevant or necessary to its hiring or retention of an employee, or issuance of a security clearance, license, contract, grant or other benefit; (5) to Federal, State or local agencies where necessary to obtain information relevant to the hiring or retention of an employee, or the issuance of a security clearance, contract, license, grant or other benefit; (6) to other Federal agencies for the purpose of collecting debts owed to the Federal government by administrative or salary offset.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosures pursuant to 5 U.S.C. 552b(b)(12). Pursuant to 5 U.S.C. 552a(b)(12), disclosures may be made to a consumer reporting agency as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**STORAGE:**

Records are maintained in cardboard boxes in the Division of Finance.

RETRIEVABILITY:

Files are stored alphabetically by fiscal year.

SAFEGUARDS:

Open files are kept by the Travel Advance Clerk for active usage. Closed records are kept in boxes in the vault. Files are accessible during working hours only by personnel from the Division of Finance. Office is locked during periods of non-work.

RETENTION AND DISPOSAL:

Records are retained for 3 years, then destroyed. Disposition is in accordance with the National Archives General Records Schedule No. 9, Item 3a.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Finance, Bureau of Mines, Building 20, Denver Federal Center, Denver, Colorado 80225.

NOTIFICATION PROCEDURE:

Inquiries regarding the existence of records should be addressed to the System Manager. A written, signed request stating that the requester seeks information concerning records, pertaining to him/her is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager. The request must be in writing and be signed by the requester. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment should be addressed to the System Manager and must meet the content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Information for this system originates with the traveler who specifies the need of a travel advance. The request is concurred in by signature of a responsible supervisory official. All entries on the file are as a result of actions taken by the individual to liquidate his/her travel advance.

INTERIOR/WBM-3**SYSTEM NAME:**

Travel Voucher and Authorizations—Interior, Mines-3.

SYSTEM LOCATION:

Bureau of Mines, Division of Finance, Building 20, Denver Federal Center, Denver, Colorado 80225.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All persons traveling for or on behalf of the Bureau of Mines on official business.

CATEGORIES OF RECORDS IN THE SYSTEM:

Voucher file consists of paid travel vouchers which reimburse travelers for expenses incurred in connection with official travel. Travel authorization file consists of record copies of authorizations for travel for which no travel vouchers have been submitted for payment, and records of overpayments and/or debts owed the Federal Government, and related official travel.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 5701, et seq.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary uses of the records are (a) as backup entry data for obligations and disbursements in the automated Finance system of the Bureau of Mines; (b) as input to the Bureau's Automated Disbursement System. This system is used to accumulate approved payments and to generate a daily file which is used by the Treasury Department to issue checks; (c) computer data are reported to each Bureau office as part of

the detailed composition of monthly expense reports applicable to charges made to cost accounts within the Finance system. Only data pertinent to individual Bureau offices are available to that office; (d) vouchers are used to determine allowability of expenses within the law authorizing payment of travel expenses. The documents are used to determine which expenses incurred by the traveler can be paid and are sometimes used to report to other Federal agencies summarizations of those types of allowable expenses. Usually, the individual's name is not used in outside reporting but the date is. Disclosures outside the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled; (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal, state, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing, the statute, rule, regulation, order or license; (3) to a congressional office from the record of an individual in response to an inquiry the individual has made to the congressional office; (4) to a Federal agency which has requested information relevant or necessary to its hiring or retention of an employee, or issuance of a security clearance, license, contract, grant or other benefit; (5) to Federal, state, or local agencies where necessary to obtain information relevant to the hiring or retention of an employee, or the issuance of a security clearance, contract, license, grant or other benefit; (6) to other Federal agencies for the purpose of collecting debts owed to the Federal government by administrative or salary offset.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosures pursuant to 5 U.S.C. 552a(b)(12). Pursuant to 5 U.S.C. 552a(b)(12), disclosures may be made to a consumer reporting agency as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Federal Claims

Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Original records are maintained in standard office filing equipment. Computerized data are stored on magnetic media at the computer processing center.

RETRIEVABILITY:

Manual voucher files are maintained alphabetically by name of traveler within fiscal year. Computerized records are maintained by transaction number within the overall numbering sequence of the accounting system. Authorizations are filed alphabetically by name awaiting payment of travel voucher. Authorization becomes part of the voucher packet at time of payment.

SAFEGUARDS:

Files are maintained with safeguards meeting the requirements of 43 CFR 2.51 in the Division of Finance and are available only to Division of Finance personnel.

RETENTION AND DISPOSAL:

Records are retained for 3 years, then destroyed. Disposition is in accordance with the National Archives General Records Schedule No. 9, Item 3a.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Finance, Bureau of Mines, Building 20, Denver Federal Center, Denver CO 80225.

NOTIFICATION PROCEDURE:

Inquiries regarding the existence of records should be addressed to the System Manager. A written, signed request stating that the requester seeks information concerning records pertaining to him/her is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager. The request must be in writing and be signed by the requester. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment should be addressed to the System Manager and must meet the content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Information for these files is based on an authorization signed by the traveler in the form of a request. A travel voucher is submitted by the traveler

after incurring expenses for official travel and is a request for payment based on his/her record of official expenses.

INTERIOR/WBM-4

SYSTEM NAME:

Property Control—Interior, Mines—4.

SYSTEM LOCATION:

(1) Bureau of Mines, U.S. Department of the Interior, 2401 E Street, NW., Washington, DC 20241. (2) All field facilities of the Bureau of Mines.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Employees who have custody or responsibility for Bureau of Mines property.

CATEGORIES OF RECORDS IN THE SYSTEM:

Contains information indicating what property, including equipment, motor vehicle operator's license, keys, motor pool vehicles, transportation request books, and parking spaces, for which the employee has custody or responsibility. In addition, all other records directly related to the property control function, and records on debts owed the Federal government due to loss or misuse of property.

The system also includes information on employee inventions which is maintained by name of invention, name of employee, and case number.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. 483(b)(1).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSE OF SUCH USES:

The primary uses of the records are (a) identification, assignment, and control of Bureau property; (b) assistance in locating carpools.

Disclosures outside of the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled; (2) of information indicating a violation or potential violation of a statute,

regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulations, order or license; (3) to other Federal agencies for the purpose of collecting debts owed to the Federal government by administrative or salary offset.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosures pursuant to 5 U.S.C. 552a(b)(12). Pursuant to 5 U.S.C. 552a(b)(12), disclosures may be made to a consumer reporting agency as defined in the Fair Credit Reporting Act. (15 U.S.C. 1681a(f) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Maintained in manual form in file folders or card indexes, a limited quantity on computer tape.

RETRIEVABILITY:

Indexed by employee name or control number.

SAFEGUARDS:

Security will be provided to meet the requirements of 43 CFR 2.51 for manual records.

RETENTIONAL AND DISPOSAL:

Property records are destroyed 3 years after files are closed. Disposition is in accordance with the Bureau Records Control Schedule, Appendix 10. Inventions files are destroyed 2 years after case is closed or patent awarded. Disposition is in accordance with the Bureau Records Control Schedule, Appendix 5.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Property and General Services, Bureau of Mines, 2401 E Street, NW., Washington, DC 20241.

NOTIFICATION PROCEDURE:

System Manager, or with respect to records maintained at field facilities, the administrative officer of the facility. A written and signed request stating that the requester seeks information concerning records pertaining to him/her is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager or, with respect to records maintained at field facilities, the administrative officer

of the facility. The request must be in writing and signed by the requester. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Employees. Property control information required for accountability purposes.

INTERIOR/WBM-5

SYSTEM NAME:

Personnel Identification—Interior, Mines—5.

SYSTEM LOCATION:

(1) Bureau of Mines, U.S. Department of the Interior, 2401 E Street, NW., Washington, DC 20241. (2) All field facilities of the Bureau of Mines.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All employees of the Bureau of Mines and contractor employees requiring access to Bureau facilities.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records concerning identification and location of employees.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 301, 3101; 43 U.S.C. 1457.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary uses of the records are (a) to provide identification cards to employees; (b) locator information provided for use by management to contact employees. Disclosures outside the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled; (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for

investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Card indexes, manually.

RETRIEVABILITY:

Indexed by employee name and identification card number.

SAFEGUARDS:

Security will be provided to meet requirements of 43 CFR 2.51 for manual records.

RETENTION AND DISPOSAL:

Destroyed 3 months after return of identification credential. Disposition is in accordance with the Bureau Records Control Schedule, Appendix 10.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Property and General Services, Bureau of Mines, 2401 E Street, NW., Washington, DC 20241.

NOTIFICATION PROCEDURE:

System Manager, or with respect to records maintained at field facilities, the administrative officer of the facility. A written and signed request stating that the requester seeks information concerning records pertaining to him/her is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager or, with respect to records maintained at field facilities, the administrative officer of the facility. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Employees. Information necessary to prepare the identification card and locator index.

[FR Doc. 86-19417 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-53-M

Bureau of Land Management

[AA-320-06-4212-02]

Bureau Forms Submitted for Review

The proposal for the collection of information listed below has been

submitted to the Office of Management and Budget for approval under provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Copies of the proposed information collection requirement and related forms and explanatory material may be obtained by contacting the Bureau of Land Management's Clearance Officer at the phone number listed below. Comments and suggestions on the requirement should be made directly to the Bureau Clearance Officer and the Office of Management and Budget Reviewing Official at 202-395-7340.

Title: Indian Allotments, 43 CFR 2530
Bureau Form Number: 2530-1
Frequency: Once
Description of Respondents: Individuals applying for conveyance of public lands under the General Allotment Act.

Annual Responses: 50

Annual Burden Hours: 50

Bureau Clearance Officer (alternate):
Rebecca Daugherty at 202-653-8853

Guy Baier,

Acting Assistant Director, Lands and Renewable Resources.

May 23, 1986.

[FR Doc. 86-19418 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-84-M

[AA-6695-A2]

Alaska Native Claims Selection

In accordance with Departmental regulation 43 CFR 2650.7(d), notice is hereby given that a decision to issue conveyance under the provisions of section 14(a) of the Alaska Native Claims Settlement Act of December 18, 1971, 43 U.S.C. 1601, 1613(a), will be issued to The Port Graham Corporation for 124.42 acres. The lands involved are in the vicinity of Port Graham, Alaska.

U.S. Survey No. 1630, Tract A.

A notice of the decision will be published once a week, for four (4) consecutive weeks, in the Anchorage Times. Copies of the decision may be obtained by contacting the Bureau of Land Management, Alaska State Office, 701 C Street, Box 13, Anchorage, Alaska 99513 [(907) 271-5960].

Any party claiming a property interest which is adversely affected by the decision, an agency of the Federal government or regional corporation, shall have until September 29, 1986 to file an appeal. However, parties receiving service by certified mail shall have 30 days from the date of receipt to file an appeal. Appeals must be filed in the Bureau of Land Management, Division of Conveyance Management

(960), address identified above, where the requirements for filing an appeal may be obtained. Parties who do not file an appeal in accordance with the requirements of 43 CFR Part 4, Subpart E, shall be deemed to have waived their rights.

Joe J. Labay,

Section Chief, Branch of ANCSA Adjudication.

[FR Doc. 86-19419 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-84-M

[CA-940-06-4212-13; CA 16173]

California; Exchange of Public and Private Lands in Trinity and Shasta Counties and Opening Order

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of issuance of land exchange conveyance document and order opening lands acquired in this exchange.

SUMMARY: The purpose of this exchange was to acquire two parcels of non-Federal lands which have high public values. One parcel of land contains significant cultural values. The other parcel lies along the Trinity River, a designated "recreation river" under the Wild and Scenic Rivers Act (Pub. L. 95-625). The exchange was consistent with the Bureau's land management plans. The public interest was well served through completion of this exchange. The land acquired in this exchange will be open to the operation of the public land laws and to the full operation of the United States mining laws and mineral leasing laws.

FOR FURTHER INFORMATION CONTACT: Viola Andrade, California State Office (916) 978-4815.

The United States issued an exchange conveyance document to Robert F. Snell on January 10, 1986, under the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2756; 43 U.S.C. 1716), for the following described land:

Mount Diablo Meridian, California

T. 33 N., R. 5 W.,

Sec. 35, SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$;

Containing 10 acres of public land in Shasta County.

In exchange for these lands, the United States acquired the following described land from Robert F. Snell:

Mount Diablo Meridian, California

Parcel 1

T. 33 N., R. 9 W.,

Sec. 13, SE $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Parcel 2

T. 33 N., R. 9 W.,

Sec. 28, a portion of the E1/2SW $\frac{1}{4}$ NE $\frac{1}{4}$ (described by metes and bounds);

Containing approximately 20 acres of non-Federal land in Trinity County.

The values of the public land and non-Federal lands in the exchange were approximately equal; however, the equalization payment required of the United States in the amount of \$1,100 was waived by Mr. Snell.

At 10 a.m. on September 29, 1986, the non-Federal lands described above shall be open to operation of the public land laws generally, subject to valid existing rights and the requirements of applicable law. All valid applications received at or prior to 10 a.m. on September 29, 1986, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

At 10 a.m. on September 29, 1986, the non-Federal lands described above shall be open to applications under the United States mining laws and mineral leasing laws.

Inquiries concerning the land should be addressed to the Bureau of Land Management, Room E-2841, Federal Office Building, 2800 Cottage Way, Sacramento, California 95825.

Dated: August 18, 1986.

Sharon N. Janis,

Chief, Branch of Adjudication and Records.

[FR Doc. 86-19428 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-40-M

Classification Termination; Nevada

ACTION: Notice of classification termination.

SUMMARY: This notice supersedes the Federal Register Document 86-16735 published on July 25, 1986 (51 FR 26753).

DATE: Effective September 29, 1986.

FOR FURTHER INFORMATION CONTACT: Frank C. Shields, District Manager, Winnemucca District Office, 705 E. 4th Street, Winnemucca, NV 89445 (702) 623-3676.

SUPPLEMENTARY INFORMATION: Termination of recreation and public purposes classification: Nevada.

Pursuant to 43 CFR 22462.4(c)(2), the Bureau of Land Management hereby terminates in part Recreation and Public Purposes classification N-43045 as it pertains to the following described public lands:

Mount Diablo Meridian, Nevada

T. 36 N., R. 38 E.,

Sec. 18, W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$.

The area described contains 60 acres in Humboldt County.

In May 1986, 240 acres were classified for recreation and public purposes and a lease was issued to Humboldt County for use of the land for a gun range. Further analysis revealed a conflict with other resources and the lessee agreed to a 60-acre reduction in the size of the lease.

At 10:00 a.m. on September 29, 1986, the land is hereby open to the operation of the public land laws, subject to valid existing rights. All valid applications received prior to or at 10:00 a.m. on September 29, 1986 will be considered as simultaneously filed. All other applications received will be considered in the order of filing.

At 10:00 a.m. on September 29, 1986, the land will also be open to the operation of the mining laws. Appropriation of lands under the general mining laws prior to the date and time of restoration is unauthorized. Any such attempted appropriation, including attempted adverse possession under 30 U.S.C. sec. 38, shall vest no rights against the United States. Acts required to establish a location and to initiate a right of possession are governed by State law where not in conflict with Federal law. The Bureau of Land Management will not intervene in disputes between rival locators over possessory rights since Congress has provided for such determination in local courts.

The land remains open to the mineral leasing and material sale laws.

Dated: August 19, 1986.

Frank C. Shields,

District Manager, Winnemucca.

[FR Doc. 86-19420 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-40-M

[Ut-080-06-4212-08]

Vernal District, Utah; Intent To Amend the Ashley Creek Management Framework Plan

In accordance with Pub. L. 94-579 and 43 CFR 1610.2(c), the Vernal District Office is proposing to amend the Management Framework Plans (MFP) for the Diamond Mountain and Ashley Creek Planning Units in northeastern Utah. The amendments are to designate certain lands as suitable for disposal and other lands as suitable for acquisition. The designations will allow the Diamond Mountain Resource Area to proceed with private exchanges designed to acquire critical multiple use habitat now in private ownership.

The issues that have been tentatively identified at this time and will be addressed in the amendment and environmental assessment are: Range,

Minerals, Endangered Species, Wildlife Habitat, Archaeological and Historical Resources, Rights-of-Way and Access, Soils and Water.

Public Participation activities will consist of requests for comments in this notice, news releases, and a public review period of the Draft Environmental Assessment to be prepared as part of the amendment process. Comments will be received up to 30 days from the date of this publication. All comments should be addressed to Ron Trogstad, Diamond Mountain Area Manager, 170 South 500 East, Vernal, Utah 84078, or telephone (801) 789-1362. Documents relevant to the planning process can be examined at the Vernal District office during regular office hours, 7:45 am to 4:30 pm.

Craig M. Hansen,

Acting District Manager.

[FR Doc. 86-19423 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-DQ-M

[WY-030-86-4212-17]

Wyoming: Emergency Off-Road Vehicle Limitation on Public Lands in Carbon County, Wyoming

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of Emergency Off-Road Vehicle Limitation Order.

SUMMARY: The Rawlins District, Bureau of Land Management hereby gives notice that effective immediately vehicle access on public land in the Sand Hills area is limited to designated roads and trails. A map is available from the Divide Resource Area Office.

EFFECTIVE DATE: This order is effective on September 5, 1986.

FOR FURTHER INFORMATION CONTACT: Bud Holbrook, Area Manager, Divide Resource Area, P.O. Box 670, Rawlins, Wyoming 82301 (307) 324-4841.

SUPPLEMENTARY INFORMATION: The purposes of this off-road vehicle limitation are to protect crucial winter habitat for mule deer from damage by motor vehicles and to protect a unique and fragile area. The following described area is covered by this order.

The Sand Hills Area

T. 16 N., R. 90 W., 6th P.M.,
Sec. 5, lots 13, 14, and 21, W $\frac{1}{2}$ SW $\frac{1}{4}$;
Sec. 6, lots 14-19, 21, 22, 25-27, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$.
T. 17 N., R. 90 W., 6th P.M.,
Sec. 15, S $\frac{1}{2}$ N $\frac{1}{2}$, SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 17, S $\frac{1}{2}$ S $\frac{1}{2}$;
Sec. 19, E $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;
Sec. 20 and 21, All;
Sec. 22, S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, SE $\frac{1}{4}$;

Sec. 23, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$;
Sec. 28 and 29, All;
Sec. 30, lots 1-4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 31, lots 1-4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 32, All.

T. 16 N., R. 91 W., 6th P.M.,

Sec. 1, lots 11-22, S $\frac{1}{2}$;

Sec. 2, All public lands located east of the Willows Road.

T. 17 N., R. 91 W., 6th P.M.,

Sec. 25 and 36, All public lands located east of the Willows Road.

The authority for this limitation is 43 CFR 8341.2. The limitation will remain in effect until off-road vehicle designations for the Divide Resource Area are implemented.

Michael J. Karbs,

Acting District Manager.

[FR Doc. 86-19425 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-22-M

[AZ-040-06-4212-21; A 22270; A 22292; A 22293]

Realty Action; Leasing of Public Lands near Safford and Winkelman, Arizona for Agriculture Purposes

AGENCY: Bureau of Land Management, Safford District, Interior.

ACTION: Notice of realty action, leasing of public land in Graham and Pinal Counties, Arizona.

SUMMARY: This Notice involves short-term leases on public lands administered by the Bureau of Land Management in Arizona. The leases are intended to authorize three existing agriculture unauthorized uses of public lands. The intention is to lease public lands for agriculture purposes.

The following described lands are available for lease under the provisions of section 302 of the Federal Land Policy and Management Act (FLPMA) of 1976, and 43 CFR Part 2920:

GILA AND SALT RIVER MERIDIAN, ARIZONA

		Non-Competitive lessee
A 22270	T. 4 S., R. 22 E. Sec. 11, portions of lot 4 Sec. 12, portions of S $\frac{1}{2}$ N $\frac{1}{2}$ Comprising approximately 48 acres	Alt B. Claridge.
A 22292	T. 6 S., R. 25 E. Sec. 28, lots 1 and 2 Comprising approximately 29 acres	James B. Whitmer.
A 22293	T. 7 S., R. 16 E. Sec. 10, part of lot 7 Comprising approximately 2 acres	William Stambaugh.

A more detailed description of the lands may be obtained from the Safford District Office. The lands will be leased on a non-competitive basis to the above-listed persons. Applications will be

accepted at the Bureau of Land Management, Safford District Office, Safford, Arizona 45 days after publication of this Notice in the Federal Register. Applications may be hand-carried to the office or mailed to the Gila Resource Area Manager, Bureau of Land Management, 425 E. 4th Street, Safford, Arizona 85546. Annual rental will be assessed at fair market value as determined by an appraisal. No application will be accepted for less than the appraised price. In addition, the lessee shall reimburse the United States for reasonable administrative and other costs incurred by the United States in processing the lease, in accordance with 43 CFR 2920.6.

For a period of 45 days from the date of publication of this Notice, interested parties may submit comments to the District Manager, Bureau of Land Management, 425 E. 4th Street, Safford, Arizona 85546. Any adverse comments will be evaluated by the District Manager who may vacate or modify this Realty Action and issue a final determination. In the absence of any action by the District Manager, this Realty Action will become the final determination of the Bureau.

Dated: August 19, 1986.

Lester K. Rosenkrance,

District Manager.

[FR Doc. 86-19427 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-32-M

[AZ-020-5-4212-13; A-20295 THRU A-20300]

Mohave County, Arizona; Public Land Sales; Continuation

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of continuation.

SUMMARY: Notice is hereby given that the segregative effect of the Notice of Realty Action published in the Federal Register on November 7, 1985 (50 FR 46364) for land sale cases A-20295 thru A-20300 is to be continued for an additional 270 days.

DATE: The effective date of this action is August 4, 1986.

FOR FURTHER INFORMATION CONTACT: Mike Berch, Realty Specialist, Kingman Resource Area, 2475 Beverly Avenue, Kingman, Arizona 86401, (602) 757-3161.

Dated: August 21, 1986.

Henri R. Bisson,

Acting District Manager.

[FR Doc. 86-19426 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-32-M

[OR-110-84-6310-11; GP6-342]; OR40462

Realty Action; Non-Competitive Occupancy Lease of Public Lands in Jackson County, OR

AGENCY: Bureau of Land Management, Interior.

ACTION: Non-competitive occupancy lease of a land parcel in Jackson County, Oregon.

ADDRESS: 3040 Biddle Road, Medford, Oregon 97504

FOR FURTHER INFORMATION CONTACT: Maurice Ziegler, Acting District Manager (503) 776-4173.

The following described land (revested Oregon and California railroad grant land) has been examined and identified as suitable for lease under section 302 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732, 1740), at not less than the fair market value:

Portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 1, T. 37 S., R. 4 W., W.M.

The purpose of this lease is to authorize the use of a parcel sixty (60) feet by sixty (60) feet for residential purposes approximately 1,260 feet west of the SE corner of section 1, T. 37 S., R. 4 W., W.M. The tract contains 0.08 acres more or less. Because the private improvements already exist, the land will not be offered for lease through competitive bidding. The tract is to be leased to Mrs. Juanita Prefontaine of 2655 Footh Creek Road, Gold Hill, Oregon 97525 for a period of thirty years with an option to renew.

The tract presently contains an approximate five (5) foot portion of Mrs. Prefontaine's house, a water pump house, and a portion of her yard and driveway. This proposed lease will settle a long-standing unauthorized occupancy.

Detailed information concerning this proposed lease, including the land report and environmental analysis is available for review at the Medford District Office, 3040 Biddle Road, Medford, Oregon 97504.

For a period of forty-five (45) days interested parties may submit comments to the District Manager, Bureau of Land Management, in Medford, Oregon. Any adverse comments will be evaluated by the State Director, who may vacate or modify this realty action and issue a final determination. In the absence of any action by the State Director, this realty action will become the final

action determination of the Department of the Interior.

Maurice Ziegler,

Acting District Manager.

[FR Doc. 86-19429 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-33-M

[OR-935-06-6410-08; GP6-327]

Salem, Eugene, Roseburg, Medford and Coos Bay Districts, Oregon; Intent To Prepare District-Wide Resource Management Plans

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of intent to prepare district-wide Resource Management Plans for the Salem, Eugene, Roseburg, Medford and Coos Bay Districts and invitation to participate in the identification of issues and development of planning criteria.

SUMMARY: The Bureau of Land Management (BLM), Salem, Eugene, Roseburg, Medford and Coos Bay Districts, Oregon are initiating the preparation of simultaneous district-wide Resource Management Plans (RMPs) which will each include an Environmental Impact Statement (EIS). The five plans will guide and control future management actions on over 2,366,000 of BLM surface ownership throughout western Oregon.

The public is invited to contribute to the planning process, beginning with the identification of issues and development of planning criteria. RMP decisions will establish land areas for varying levels of use or protection, resource condition goals, constraints and practices needed. Implementation schedules will be established for the above decisions, activity planning, necessary support actions and monitoring.

DATE: Distribution of background information and district maps will be made on September 2, 1986 by each District Manager to the existing district mailing list. Written public comments should be sent to the applicable District Manager by November 3, 1986. Each District will announce, through the local media, any meetings or open houses during this initial RMP/EIS scoping period. Future meetings and other opportunities for public involvement in the planning process will be announced in newsletters to the District mailing lists and through the local media. All Districts are scheduled to publish a summary of issues and draft planning criteria in the spring of 1987. Resource inventories are expected to be completed in 1988. The draft plans and

EISs are scheduled to be published in late 1989, the proposed plans/final EISs in the spring of 1990 with implementation of the plans in the fall of 1990. The extended schedule is deliberately designed to enhance public involvement and promote a consistent inter-district approach to potential common issues, major program inputs, outputs and impacts. The kind and extent of public participation opportunities to be provided will primarily be guided by requests to the Districts.

FOR FURTHER INFORMATION OR TO SUBMIT COMMENTS CONTACT ANY OF THE FOLLOWING:

Salem District: Melvin E. Chase, Acting District Manager, Bureau of Land Management, 1717 Fabry Road SE., P.O. Box 3227, Salem, Oregon 97302, Phone (503) 399-5646.

Eugene District: Melvin D. Clausen, District Manager, Bureau of Land Management, 1255 Pearl Street, P.O. Box 10226, Eugene, Oregon 97440, Phone (503) 687-6650.

Roseburg District: Mel Berg, District Manager, Bureau of Land Management, 777 N.W. Garden Valley Blvd., Roseburg, Oregon 97470, Phone (503) 672-4491.

Medford District: Dave Jones, District Manager, Bureau of Land Management, 3040 Biddle Road, Medford, Oregon 97504, Phone (503) 776-4174.

Coos Bay District: Robert T. Dale, District Manager, Bureau of Land Management, 333 S. 4th Street, Coos Bay, Oregon 97420, Phone (503) 269-5880.

SUPPLEMENTARY INFORMATION: The five districts include public land and non-federal surface/federal minerals in 19 western Oregon counties. Maps of the BLM managed surface areas are available from the District Offices. The general types of issues anticipated include: (1) Which forest lands should be intensively managed for wood products?; (2) What level of habitat diversity should be provided to meet fish and wildlife goals?; (3) How should watersheds be managed to maintain or enhance water quality?; (4) What areas on the public lands need special management attention to protect and prevent irreparable damage to important historic, cultural or scenic values, fish and wildlife resources or other natural systems or processes or to protect life and safety from natural hazards?; (5) In what areas should BLM encourage and continue to allow mineral entry, mineral leasing and material sales?; (6) How can BLM protect and/or enhance public recreation use? and (7) Should BLM sell, exchange, lease or transfer public land?

Public nominations for potential Areas of Critical Environmental Concern are also encouraged at this point in the process.

These preliminary issues are not final and will be further refined by direct input through public participation. The RMPs will be developed by District interdisciplinary teams using representation from the Team Leaders, Technical Coordinators, foresters, wildlife and fishery biologists, botanists, soils scientists, hydrologists, geologists, outdoor recreation planners, and economists, with additional technical support to be provided by other specialists as needed.

A draft public participation plan and schedule has been prepared for each RMP. Each is intended to involve interested or affected parties early and continuously throughout the planning process. The plans emphasize local contacts with individuals and groups, media coverage, direct mailings and continual coordination with local, tribal, state and other federal agencies. Complete records of all phases of the planning process will be available for public review in the respective District Offices.

Dated: August 15, 1986.

Paul M. Vetterick,
Associate State Director, Oregon.

[FR Doc. 86-19430 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-35-M

[CO-942-06-4520-12]

Colorado: Filing of Plats of Survey

August 20, 1986.

The plat of survey of the following described land, will be officially filed in the Colorado State Office, Bureau of Land Management, Denver, Colorado, effective 10:00 a.m., August 20, 1986.

The plat representing the dependent resurvey of the Base Line (south boundary), the Twelfth Auxiliary Guide Meridian West (west boundary), the north boundary, and the subdivisional lines, and the survey of the subdivision of certain sections, T. 1 N., R. 100 W., Sixth Principal Meridian, Colorado, Group No. 562, was accepted August 8, 1986.

This survey was executed to meet certain administrative needs of this Bureau.

All inquiries about this land should be sent to the Colorado State Office,

Bureau of Land Management, 2020 Arapahoe Street, Denver, Colorado 80205.

Jack A. Eaves,
Chief Cadastral Surveyor for Colorado.

[FR Doc. 86-19431 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-JB-M

[NV-030-06-4321-12]

Routine Use of Helicopter To Gather Wild Horses and Burros; Public Hearing

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of public hearing.

SUMMARY: The Carson City District Office will conduct a hearing regarding the routine use of helicopter to gather wild horses and burros, and motorized vehicles to transport them, with the District in accordance with Pub. L. 94-579, sec. 404.

DATE: September 10, 1986, 10:00 a.m.

ADDRESS: 1535 Hot Springs Rd., Suite 300, Carson City, Nevada.

FOR FURTHER INFORMATION CONTACT: Timothy B. Reuwsaat, Wild Horse and Burro Specialist, 1535 Hot Springs Rd., Suite 300, Carson City, Nevada 89701, (702) 882-1631.

Dated: August 20, 1986.

Norman L. Murray,
District Manager.

[FR Doc. 86-19424 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-HC-M

Revision of the Geysers Known Geothermal Resources Area

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of revision of The Geysers Known Geothermal Resources Area, by deletion and addition of lands.

SUMMARY: Pursuant to the authority vested in the Secretary of the Interior by section 21(a) of the Geothermal Steam Act of 1970 (84 Stat. 1566, 1572; 30 U.S.C. 1020), and delegations of authority in 220 Departmental Manual 4.1H, and Secretarial Orders 3071 and 3087, The Geysers Known Geothermal Resources Area boundary is revised by addition and deletion of lands as follows, effective June 30, 1986.

(5) California*The Geysers Known Geothermal Resources Area***Mount Diablo Meridian, California**

The following described lands are hereby added to The Geysers Known Geothermal Resources Area:

T. 14 N., R. 5 W.,
Secs. 7 and 8;
Secs. 16-21;
Secs. 27-34.

T. 14 N., R. 6 W.,
Sec. 9 S½;
Secs. 10-16;
Secs. 21-27;
Secs. 34-36.

The added lands described contain 21,437.38 acres, more or less. The subject lands will be made available for lease through the competitive leasing process, under regulations reappearing in 43 CFR Part 3220.

The following described lands are hereby deleted from The Geysers Known Geothermal Resources Area:

T. 13 N., R. 6 W.,
Secs. 13 and 14;
Secs. 19-32
Secs. 34-36.

T. 15 N., R. 7 W.,
Secs. 16-18;
Sec. 21;
Sec. 28.

T. 15 N., R. 8 W.,
Sec. 11;
Secs. 13-15;
Sec. 24, lots 3, 4, 5 and 6.

The deleted lands described contain 18,079.07 acres, more or less. The subject lands will be made available for lease to the first qualified applicant under regulations appearing in 43 CFR Part 3210, beginning with the first calendar month following the date of this notice.

FOR FURTHER INFORMATION CONTACT: Minerals Division, Bureau of Land Management, Ukiah District Office 555 Leslie Street, Ukiah, CA 95482-5599, telephone (707) 462-3873.

Dated: August 19, 1986.

John Santora,
District Manager.

[FR Doc. 86-19422 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-84-M

[MT-920-06-4121-14]**Coal Lease Offering, North Dakota**

AGENCY: Bureau of Land Management, Interior.

ACTION: Emergency Coal Lease Offering By Sealed Bid—M 68608(ND)—The Coteau Properties Company.

SUMMARY: Notice is hereby given that the coal resource in the lands described below in Mercer County, North Dakota, will be offered for competitive lease by sealed bid. This offering is being made as a result of an emergency application filed by The Coteau Properties Company, in accordance with the provisions of the Mineral Leasing Act of 1920 (41 Stat. 437; 30 U.S.C. 181 et. seq.), as amended.

An environmental assessment of the proposed coal development and related requirements for consultation, public involvement and hearing have been completed in accordance with 43 CFR Part 3425. The results of these activities were a finding of no significant environmental impact.

The tract will be leased to the qualified bidder of the highest cash amount provided that the high bid meets the fair market value of the coal resource. The minimum bid for the tract is \$100 per acre, or fraction thereof. No bid that is less than \$100 per acre, or fraction thereof, will be considered. The minimum bid is not intended to represent fair market value. The fair market value will be determined by the authorized officer after the sale.

COAL OFFERED: The coal resource to be offered consists of all recoverable reserves in the following described lands located approximately 7 miles north of the town of Beulah:

T. 145 N., R. 87 W., 5th P.M.,
Sec. 20: NW¼.

Containing 160 acres, Mercer County, North Dakota.

The tract contains an estimated 2.895 million tons of recoverable lignite. The recoverable coal seam in this tract is the Beulah-Zap seam. The seam ranges from 5 to 20 feet in thickness, and averages 17.2 feet in thickness. The Beulah-Zap seam averages (as-received) 6,806 BTU/lb. with 37.99 percent moisture, 0.67 percent sulfur, and 5.82 percent ash. **Rental and Royalty:** The lease issued as a result of this offering will provide for payment of an annual rental of \$3 per acre, or fraction thereof, and a royalty payable to the United States of 12.5 percent of the value of coal mined by surface methods and 8.0 percent of the value of coal mined by underground methods. The value of the coal shall be determined in accordance with 43 CFR 3485.2.

DATE: Lease Sale—The lease sale will be held at 10:00 a.m., Thursday, September 25, 1986, in the Conference Room on the Sixth Floor of the Granite Tower Building, Bureau of Land Management, 222 North 32nd Street, Billings, Montana 59107.

Bids—Sealed bids must be submitted on or before 9:00 a.m., Thursday, September 25, 1986, to the Cashier, Bureau of Land Management, Montana State Office, Second Floor, Granite Tower Building, 222 North 32nd Street, Post Office Box 36800, Billings, Montana 59107. The bids should be sent by certified mail, return receipt; or be hand-delivered. The Cashier, will issue a receipt for each hand-delivered bid. Bids received after that time will not be considered.

SUPPLEMENTARY INFORMATION: Bidding instructions for the offered tract are included in the Detailed Statement of Lease Sale. Copies of the statement and the proposed coal lease are available at the Montana State Office. Casefile documents are also available for public inspection at the Montana State Office.

Dated: August 21, 1986.

Ray Brubaker,

Acting State Director.

[FR Doc. 86-19421 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-DN-M

[UT-060-06-4322-14]**Environmental Statement, Flume Canyon Wilderness Study Area, Utah**

August 20, 1986.

AGENCY: Bureau of Land Management, Moab, Interior.

ACTION: Notice of 30-day comment period on a draft Environmental Assessment analyzing impacts of a proposed action within a Wilderness Study Area (WSA).

SUMMARY: Pursuant to the Federal Land Policy and Management Act, section 603, and the Bureau's Interim Management Policy, notice is hereby given of a 30-day public comment period on a draft Environmental Assessment starting with publication of this notice on the following action:

WSA Name: Flume Canyon

WSA Number: UT-060-100 B

Proposed Action: Construct a fence (1250') within the WSA to confine cattle to the Corral Wash Grazing Allotment. The fence would be a boundary between the Corral Wash Allotment and the Sulphur Canyon Allotment. A gate would also be constructed on the WSA boundary (Dry Canyon Road) in another location.

FOR FURTHER INFORMATION CONTACT: Bureau of Land Management, Grand Resource Area, P.O. Box M, Moab, Utah

84532. A copy of the draft Environmental Assessment is available upon request.

Kenneth V. Rhea,

Associate District Manager.

[FR Doc. 86-19530 Filed 8-27-86; 8:45 am]

BILLING CODE 4130-DQ-M

[WY-920-06-4990-11-6001; W-90279]

Proposed Reinstatement of Terminated Oil and Gas Lease, Wyoming

August 22, 1986.

Pursuant to the provisions of Pub. L. 97-451, 96 Stat. 2462-2466, and Regulation 43 CFR 3108.2-3(a) and (b)(1), a petition for reinstatement of oil and gas lease W-90279 for lands in Campbell County, Wyoming was timely filed and was accompanied by all the required rentals accruing from the date of termination.

The lessee has agreed to the amended lease terms for rentals and royalties at rates of \$5.00 per acre, or fraction thereof, per year and 16% percent, respectively.

The lessee has paid the required \$500.00 administrative fee and \$106.25 to reimburse the Department for the cost of this Federal Register notice. The lessee has met all the requirements for reinstatement of the lease as set out in section 31 (d) and (e) of the Mineral Lands Leasing Act of 1920 (30 U.S.C. 188), and the Bureau of Land Management is proposing to reinstate lease W-90279 effective January 1, 1986, subject to the original terms and conditions of the lease and the increased rental and royalty rates cited above.

Andrew L. Tarshis,

Chief, Leasing Section.

[FR Doc. 86-19532 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-22-M

[ID-010-06-4410-08]

Resource Management Plan and Draft EIS; Cascade Resource Area

AGENCY: Bureau of Land Management, Department of Interior.

ACTION: Notice of Availability of Draft Resource Management Plan and Draft Environmental Impact Statement (RMP/EIS); and Proposed Area of Critical Environmental Concern (ACEC) Designations.

SUMMARY: Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 and 43 CFR Part 1600, the Bureau of Land Management (BLM) has prepared a draft Resource Management

Plan (RMP) and associated draft Environmental Impact Statement (EIS) for the Cascade Resource Area. The Cascade RMP/EIS addresses alternative management actions on 487,466 acres of BLM administered public lands in west-central Idaho. Included in the draft plan are recommendations concerning three tracts being considered for Area of Critical Environmental Concern (ACEC) designation. This notice therefore is also issued pursuant to § 1610.7-2(b) of the BLM Planning Regulations.

The Boise District (BLM) invites members of the public, other Federal agencies, State and local governments, and Indian tribes to review and comment on the draft Cascade RMP/EIS. All written comments received during the comment period will be considered in preparation of the Proposed RMP/Final EIS. Public meetings to accept oral comment will not be held.

DATE: The comment period will remain open until November 28, 1986. Written comments may be submitted any time during the comment period to the Boise District.

ADDRESS: Written comments should be sent to the Bureau of Land Management, Boise District Office, 3948 Development Avenue, Boise, Idaho 83705. Copies of the Cascade RMP/EIS may be obtained from the Boise District Office.

FOR FURTHER INFORMATION CONTACT: Richard A. Geier, Cascade Area Manager or Fred Minckler, Team Leader at the Bureau of Land Management, Boise District Office, 3948 Development Avenue, Boise, Idaho 83705. Telephone (208) 334-1582.

SUPPLEMENTARY INFORMATION: The Cascade RMP/EIS describes and analyzes five alternative plans for managing natural resources in the Cascade Resource Area over the next 15 to 20 years. One alternative has been identified as BLM's Preferred Alternative.

The alternative plans presented in the Cascade RMP/EIS were developed to resolve the planning issues identified through public involvement early in the planning process. The key planning issues addressed in the RMP/EIS are land tenure and adjustment, rangeland resource management, and future management of the Payette River Corridor. Special management concerns also addressed in the document include off-road vehicle use, timber management, and special designations. The alternative plans include different resource use levels and constraints to address the planning issues. One alternative is a "No Action" alternative designed to represent the continuation

of present resource use levels and systems.

The Cascade RMP/EIS also considers three tracts for designation as areas of critical environmental concern (ACEC). The alternatives cover the spectrum from all potential ACECs proposed for designation to none of the potential ACECs proposed for designation. Following preparation and release of the Proposed Cascade RMP and Final EIS, approval of the RMP will constitute formal designation of any ACEC included in the proposed plan.

The Boise Front containing 12,000 acres of public land would be designated an ACEC under the preferred alternative. If designated an ACEC, BLM would restrict vehicle use to protect the watershed values in the area. Additional management actions would be initiated to protect watershed, recreation, and visual quality values.

The Columbian sharp-tailed grouse habitat area containing 4,200 acres of public land north of Weiser, Idaho would be designated an ACEC under the preferred alternative. If designated an ACEC, BLM would restrict vehicle use, seasonally limit mineral leasing activities and rights-of-way construction activities, and management livestock grazing to benefit the Columbian sharp-tailed grouse.

The Long-billed curlew habitat area containing 61,000 acres of public land between Emmett, Idaho and Parma, Idaho would be designated an ACEC under the preferred alternative. If designated an ACEC, BLM would restrict vehicle use and seasonally limit mineral leasing activities and rights-of-way construction activities.

J. David Brunner,

District Manager.

[FR Doc. 86-19533 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-GG-M

[NM-010-06-4410-08; NM-010-0119]

Albuquerque District Advisory Council Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of District Advisory Council meeting.

SUMMARY: The Bureau of Land Management's Albuquerque District Advisory Council will meet on Friday, September 19, 1986, at 10 a.m., in the new BLM Albuquerque District Office Building located at 435 Montano NE., in Albuquerque, New Mexico.

The Council will address three major issues:

1. Implementation of ORV decisions in the Rio Puerco Resource Management Plan.

2. Implementation of land ownership adjustment decisions made in the Rio Puerco RMP.

3. Intrusion of commercial signs on Public Lands in the Taos Resource Area.

Time will be provided for public comments during the appropriate agenda item.

The Albuquerque District Advisory Council is managed in accordance with the Federal Land Policy and Management Act of 1976, the Federal Advisory Committee Act of 1972, and the Rangeland Improvement Act of 1976. Minutes of the meeting will be made available for review within 30 days following the meeting.

For additional information, contact Alan Hoffmeister, Public Affairs Specialist, 435 Montano NE., Albuquerque, New Mexico 87107, (505) 766-3114.

L. Paul Applegate,
District Manager.

[FR Doc. 86-19531 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-FB-M

Minerals Management Service

Development Operations Coordination Document; Conoco Inc.

AGENCY: Minerals Management Service.

ACTION: Notice of the Receipt of a Proposed Development Operations Coordination Document (DOCD).

SUMMARY: Notice is hereby given that Conoco Inc. has submitted a DOCD describing the activities it proposes to conduct on Lease OCS 0161, Block 67, East Cameron Area, offshore Louisiana. Proposed plans for the above area provide for the development and production of hydrocarbons with support activities to be conducted from onshore bases located at Cameron and Morgan City, Louisiana.

DATE: The subject DOCD was deemed submitted on August 19, 1986.

ADDRESSES: A copy of the subject DOCD is available for public review at the Office of the Regional Director, Gulf of Mexico OCS Region, Minerals Management Service, 1420 South Clearview Parkway, Room 114, New Orleans, Louisiana (Office Hours: 9 a.m. to 3:30 p.m., Monday through Friday).

FOR FURTHER INFORMATION CONTACT: Michael J. Tolbert; Minerals Management Service, Gulf of Mexico OCS Region, Field Operations, Plans, Platform and Pipeline Section, Exploration/Development Plans Unit; Phone (504) 736-2867.

SUPPLEMENTARY INFORMATION: The purpose of this Notice is to inform the public, pursuant to sec. 25 of the OCS Lands Act Amendments of 1978, that the Minerals Management Service is considering approval of the DOCD and that it is available for public review.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected States, local governments, and other interested parties became effective December 13, 1979 (44 FR 53685). Those practices and procedures are set out in revised § 250.34 of Title 30 of the CFR.

Dated: August 21, 1986.

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 86-19432 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-MR-M

Development Operations Coordination Document; ODECO Oil and Gas Co.

AGENCY: Minerals Management Service.

ACTION: Notice of the Receipt of a Proposed Development Operations Coordination Document (DOCD).

SUMMARY: Notice is hereby given that ODECO Oil and Gas Company has submitted a DOCD describing the activities it proposes to conduct on Lease OCS-G 2562, Block 38, East Cameron Area, offshore Louisiana. Proposed plans for the above area provide for the development and production of hydrocarbons with support activities to be conducted from onshore bases located at Dulac and Houma, Louisiana.

DATE: The subject DOCD was deemed submitted on August 19, 1986.

ADDRESSES: A copy of the subject DOCD is available for public review at the Office of the Regional Director, Gulf of Mexico OCS Region, Minerals Management Service, 1420 South Clearview Pkwy., Room 114, New Orleans, Louisiana (Office Hours: 9 a.m. to 3:30 p.m., Monday through Friday).

FOR FURTHER INFORMATION CONTACT: Michael J. Tolbert; Minerals Management Service, Gulf of Mexico OCS Region, Field Operations, Plans, Platform and Pipeline Section, Exploration/Development Plans Unit; Phone (504) 736-2867.

SUPPLEMENTARY INFORMATION: The purpose of this Notice is to inform the public, pursuant to sec. 25 of the OCS Lands Act Amendments of 1978, that the Minerals Management Service is considering approval of the DOCD and that it is available for public review.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected States, local governments, and other interested parties became effective December 13, 1979 (44 FR 53685). Those practices and procedures are set out in revised § 250.34 of Title 30 of the CFR.

Dated: August 21, 1986.

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 86-19433 Filed 8-27-86; 8:45 am]

BILLING CODE 4310-MR-M

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-242]

Certain Dynamic Random Access Memories, Components Thereof, and Products Containing Same; Change of the Commission Investigative Attorney

Before Janet D. Saxton, Chief Administrative Law Judge.

Notice is hereby given that, as of this date, Gary J. Rinkerman, Esq., and Regina A. Loughran, Esq., of the Office of Unfair Import Investigations will be the Commission investigative attorneys in the above-cited investigation instead of Stephen L. Sulzer, Esq.

The Secretary is requested to publish this Notice in the *Federal Register*.

Dated: August 25, 1986.

Respectfully submitted,

Arthur Wineburg,

Director, Office of Unfair Import Investigations, U.S. International Trade Commission.

[FR Doc. 86-19499 Filed 8-27-86; 8:45 am]

BILLING CODE 7020-02-M

INTERSTATE COMMERCE COMMISSION

[Volume No. OP3MCF-429]

Motor Carrier Finance Applications; Decision-Notice

The following applications seek approval to consolidate, purchase, merge, lease operating rights and properties, or acquire control of motor carriers pursuant to 49 U.S.C. 11343 or 11344. Also, applications directly related to these motor finance applications (such as conversions, gateway eliminations, and securities issuances) may be involved.

The applications are governed by 49 CFR 1182.1 of the Commission's Rules of Practice. See Ex Parte 55 (Sub-No. 44), *Rules Governing Applications Filed by Motor Carriers Under 49 U.S.C. 11344 and 11349*, 363 I.C.C. 740 (1981). These rules provide among other things, that opposition to the granting of an application must be filed with the Commission in the form of verified statements within 45 days after the date of notice of filing of the application is published in the **Federal Register**. Failure seasonably to oppose will be construed as a waiver of opposition and participation in the proceeding. If the protest includes a request for oral hearing, the request shall meet the requirements of Rule 242 of the special rules and shall include the certification required.

Persons wishing to oppose an application must follow the rules under 49 CFR 1182.2. A copy of any application, together with applicant's supporting evidence, can be obtained from any applicant upon request and payment to applicant of \$10.00, in accordance with 49 CFR 1182.2 (d).

Amendments to the request for authority will not be accepted after the date of this publication. However, the Commission may modify the operating authority involved in the application to conform to the Commission's policy of simplifying grants of operating authority.

We find, with the exception of those applications involving impediments (e.g., jurisdictional problems, unresolved fitness, questions, questions involving possible unlawful control, or improper divisions of operating rights) that each applicant has demonstrated, in accordance with the applicable provisions of 49 U.S.C. 11301, 11302, 11343, 11344, and 11349, and with the Commission's rules and regulations, that the proposed transaction should be authorized as stated below. Except where specifically noted this decision is neither a major Federal action significantly affecting the quality of the human environment nor does it appear to qualify as a major regulatory action under the Energy Policy and Conservation Act of 1975.

In the absence of legally sufficient protests as to the finance application or to any application directly related thereto filed within 45 days of publication (or, if the application later becomes unopposed), appropriate authority will be issued to each applicant (unless the application involves impediments) upon compliance with certain requirements which will be set forth in a notification or effectiveness of this decision-notice.

Applicant(s) must comply with all conditions set forth in the grant or grants of authority within the time period specified in the notice of effectiveness of this decision-notice, or the application of a non-complying applicant shall stand denied.

Dated: August 20, 1986.

By the Commission, Motor Carrier Board,
Members Hartley, Thomas and Barnes.

Noreta R. McGee,

Secretary.

MC-F-17658, filed July 24, 1986.

HOLLAND INDUSTRIES (Holland) (One Keeshin Drive, Toledo, OH 43612)—
CONTROL— MOUNTAIN VIEW
COACH LINES, INC. (Mountain View)
(Route 9 W, West Cocksackie, NY 12192)
AND VANGUARD INTERSTATE
TOURS, INC. (Vanguard) (1 Westerly
Road, Ossining, NY 10562).

Representative: Arthur Wagner, Esq.,
342 Madison Avenue, New York, NY
10173. Holland (MC-189866) seeks
authority to acquire control, through
stock purchase of all the issued and
outstanding shares of motor common
carriers of passengers Mountain View
(MC-47495) and Vanguard (MC-5723).
Mountain View and Vanguard are
wholly-owned subsidiaries of Laidlaw
Transportation Limited, a Canadian
Corporation.

Holland, a publically held
corporation, controls Shortway Lines,
Inc. (MC-13027), Ashland City Lines,
Inc. (MC-118926), Shortway Suburban
Lines, Inc. (MC-165198), and Shortway
Airport Limousines Inc. (MC-165197).

[FR Doc. 86-19584 Filed 8-27-86; 8:45 am]

BILLING CODE 7035-01-M

[Docket No. AB-12 (Sub-No. 108)]

**Southern Pacific Transportation Co.;
Abandonment; Tillamook Branch in
Washington and Tillamook Counties,
OR; Findings**

The Commission has issued a
certificate authorizing Southern Pacific
Transportation Company to abandon
operations over its 85.58-mile rail line
between Schefflin (milepost 770.500) and
Tillamook (milepost 856.080) in
Washington and Tillamook Counties,
OR, subject to: (1) Employee protective
conditions; and (2) The condition that
while SP may discontinue operations
once its certificate is effective, full
abandonment of the right-of-way may
not be consummated until (a) the Port of
Tillamook Bay Railroad (PTBR) obtains
authority, or an exemption, to
discontinue trackage rights over the line,
and (b) Bicycle USA and the Rails-to-
Trails Conservancy are notified.

concurrent with the filing, of PTBR's
trackage rights discontinuance proposal
and given 30 days from the date of
notification to submit an appropriate
Trails Act or public use statement under
16 U.S.C. 1247(d) or 49 U.S.C. 10906,
respectively. SP must notify the
Commission, within 10 days of its
receipt of a Trails Act statement, of
whether it is willing to negotiate an
agreement for interim trail use, and, if
so, whether it owns the entire right-of-
way in fee. The certificate will become
effective 30 days after this publication
unless the Commission also finds that:
(1) A financially responsible person has
offered financial assistance (through
subsidy or purchase) to enable the rail
service to be continued; and (2) It is
likely that the assistance would fully
compensate the railroad.

Any financial assistance offer must be
filed with the Commission and the
applicant no later than 10 days from
publication of this Notice. The following
notation shall be typed in bold face on
the lower left-hand corner of the
envelope containing the offer: "Rail
Section, AB-OFA". Any offer previously
made must be remade within this 10-day
period.

Information and procedures regarding
financial assistance for continued rail
service are contained in 49 U.S.C. 10905
and 49 CFR Part 1152.

Noreta R. McGee,

Secretary.

[FR Doc. 86-19551 Filed 8-27-86; 8:45 am]

BILLING CODE 7035-01-M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to Clean Water Act; Titanium Metals Corp. of America

In accordance with Department
policy, 28 CFR 50.7, notice is hereby
given that on August 18, 1986, a
proposed Consent Decree in *United
States v. Titanium Metals Corporation
of America*, CV LV 83-587 (LDG) was
lodged with the United States District
Court for the District of Nevada. The
proposed Consent Decree concerns the
prevention of discharges of pollutants to
waters of the United States in violation
of the Clean Water Act and in excess of
limits set forth in a National Pollutant
Discharge Elimination System
("NPDES") permit. The proposed
Consent Decree enjoins further
violations by Titanium Metals of their
NPDES permit and the Clean Water Act,
requires that necessary modifications be
made to the facility's spill control

system and requires Titanium Metals to pay a civil penalty of \$100,000.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the proposed Consent Decree. Comments should be addressed to the Assistant Attorney General of the Land and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States v. Titanium Metals Corporation of America*, D.J. Ref. 90-5-1-1-1895.

The proposed Consent Decree may be examined at the office of the United States Attorney, District of Nevada, 300 Las Vegas Blvd. South, Las Vegas, Nevada 89101 and at the Region 9 Office of the Environmental Protection Agency, 215 Fremont Street, San Francisco, California. Copies of the Consent Decree also may be examined at the Environmental Enforcement Section, Land and Natural Resources Division of the Department of Justice, Room 1517, Ninth Street and Pennsylvania Avenue NW., Washington, DC 20530. A copy of the proposed Consent Decree may be obtained in person or by mail from the Environmental Enforcement Section, Land and Natural Resources Division of the Department of Justice. In requesting a copy, please refer to the referenced case and enclose a check in the amount of \$1.40 (10 cents per page reproduction cost) made payable to the Treasurer of the United States.

F. Henry Habicht II,

Assistant Attorney General, Land and Natural Resources Division

[FR Doc. 86-19434 Filed 8-27-86; 8:45 am]

BILLING CODE 4410-01-M

Notice of Lodging of a Stipulation of Dismissal Pursuant to the Clean Water Act; Upper Occoquan Sewage Authority et al

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that on August 14, 1986 a proposed Stipulation of Dismissal in *United States v. Upper Occoquan Sewage Authority and The Commonwealth of Virginia*, Civil Action No. 85-1242-A was lodged with the United States District Court for the Eastern District of Virginia. The proposed Stipulation of Dismissal concerns the failure of the Upper Occoquan Sewage Authority to implement an approvable pretreatment program prior to July 1, 1983. The proposed Stipulation of Dismissal requires the defendant to pay a penalty of \$14,000.00. Its pretreatment program has been approved since the filing of this complaint.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the proposed Stipulation of Dismissal. Comments should be addressed to the Assistant Attorney General of the Land and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States v. Upper Occoquan Sewage Authority, et al.*, D.J. Ref. #90-5-1-1-2483.

The proposed Stipulation of Dismissal may be examined at the Office of the United States Attorney, Eastern District of Virginia, 701 Prince Street, Alexandria, Virginia, and at the Region III Office of the United States Environmental Protection Agency, 841 Chestnut Street, Philadelphia, Pennsylvania. Copies of the Stipulation of Dismissal may be examined at the Environmental Enforcement Section, Land and Natural Resources Division of the Department of Justice, Room 1517, Ninth Street and Pennsylvania Avenue NW., Washington, DC 20530. A copy of the proposed Stipulation of Dismissal may be obtained in person or by mail from the Environmental Enforcement Section, Land and Natural Resources Division of the Department of Justice.

F. Henry Habicht II,
Assistant Attorney General, Land and Natural Resources Division.

[FR Doc. 86-19435 Filed 8-27-86; 8:45 am]

BILLING CODE 4410-01-M

Antitrust Division

National Cooperative Research Act Notification; ARCO Chemical Co., Division of Atlantic Richfield Company—Air Products and Chemicals, Inc. Venture

Notice is hereby given that pursuant to section 6(a) of the National Cooperative Research Act of 1984, Pub. L. No. 98-462 ("the Act"), ARCO Chemical Company, Division of Atlantic Richfield Company—Air Products and Chemicals, Inc. Venture has filed a written notification simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties to the venture and (2) the nature and objectives of the venture. The notification was filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to single damages under specified circumstances. Pursuant to section 6(b) of the Act, the identities of the parties to the venture and its general area of planned activity are given below:

The parties to the venture are:

Air Products and Chemicals, Inc.
P.O. Box 538
Allentown, Pennsylvania 18105;
ARCO Chemical Company, Division of
Atlantic Richfield Company
1500 Market Street
Philadelphia, Pennsylvania 19101.

The nature and objectives and the area of planned activity in this venture are to undertake certain information exchange and research and development activities directed to the production and use of polyalkylene carbonate compositions obtained by reacting carbon dioxide with an epoxide or a derivative thereof, including but not limited to polyethylene carbonate and polypropylene carbonate.

Judy Whalley,

Deputy Director of Operations, Antitrust Division.

[FR Doc. 86-19406 Filed 8-27-86; 8:45 am]

BILLING CODE 4410-01-M

National Cooperative Research Act of 1984 Notifications; NAHB Research Foundation, Inc.; Smart House Project

Notice is hereby given that pursuant to section 6(a) of the National Cooperative Research Act of 1984, Pub. L. No. 98-462 ("the Act"), the NAHB Research Foundation, Inc. has filed a written notification simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties to the Smart House Project and (2) the nature and objectives of the Smart House Project. The notification was filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to single damages under specified circumstances. Pursuant to section 6(b) of the Act, the identities of the parties to the Smart House Project, and its general areas of planned activity, are given below.

The Smart House Project is a joint venture project that will be implemented in a series of stages by separate agreements at each stage. The following parties have signed agreements to fund or otherwise participate in the first stage of the venture, which involves, among other things, organizational activities:

AMP, Incorporated
Apple Computer, Inc.
Arco Solar, Inc.
AT&T Technologies, Inc.
Bell Northern Research Ltd.
BrinTec Corporation
Broan Mfg. Co., Inc.
Burndy Corporation
Carrier Corporation
Challenger Electrical Equipment Corp.
Dukane Corporation

E.I. duPont de Nemours & Company (Inc.)

Emerson Electric Co.
General Electric Company
Honeywell Inc.
Kohler Company
Landis & Gyr Metering, Inc.
Lennox Industries Inc.
NAHB Research Foundation, Inc.
National Semiconductor Corporation
North American Philips Consumer Electronics Corp., on its own behalf and on behalf of Signetics Corporation
Onan Corporation
Pass & Seymour Incorporated
Robertshaw Controls Company
Schlage Lock Company
Scott Instruments Corporation
Scovill Inc.
Shell Development Company (Division of Shell Oil Company)
Siemens-Allis, Inc.
Slater Electric, Inc.
Smart House Development Venture, Inc.
Sola Basic Industries, Inc.
Southwire Company
Square D Company
Systems Control, Inc.
Whirlpool Corporation
The Wiremold Company

The following entities are serving as advisors to the venture:

American Gas Association
Bell Communications Research, Inc.
Copper Development Association Inc.
Electric Power Research Institute
Gas Research Institute
Home Builders Institute
National Association of Home Builders
Ontario Hydro
Professional Builder
Southern California Edison Company

The Smart House Project will engage in activities the purpose of which will be to develop a coordinated home control and energy distribution system containing integral telecommunications and advanced safety features. The project is intended to design and develop a set of compatible products, including integrated power and signal cabling to tie home electrical products into a single power and communications network; communications-capable appliances, heating and cooling equipment, utility meters and home electrical and electronic products; electric power conditioning and conversion equipment; controllers and software to make logical decisions, issue control instructions, and regulate the distribution of energy, information and instructions throughout the network; monitoring and control devices to detect and neutralize malfunctions in energy distribution within the home; telephone and CATV interfaces to allow information to be passed to and from the

home over telephone and CATV lines; and input and output devices with which users can control and receive information from the network and the devices attached to it.

Judy L. Whalley,

Deputy Director of Operations, Antitrust Division.

[FR Doc. 86-19405 Filed 8-27-86; 8:45 am]

BILLING CODE 4410-01-M

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Notice [86-58]

NASA Advisory Council; Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Pub. L. 92-463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Informal Executive Subcommittee.

DATE: Date and Time: September 12, 1986, 8:30 a.m. to 4 p.m.

ADDRESS: National Aeronautics and Space Administration, Administrator's Conference Room, Federal Building 6, 400 Maryland Avenue, SW, Washington, DC 20546.

FOR FURTHER INFORMATION CONTACT:

Mr. Nathaniel B. Cohen, Code LB, National Aeronautics and Space Administration, Washington, DC 20546 (202/453-8335).

SUPPLEMENTARY INFORMATION: The NASA Advisory Council Informal Executive Subcommittee was established under the NASA Advisory Council to assist the Chair in planning the activities, establishing meeting agendas, and otherwise guiding the activities of the Council. The subcommittee is chaired by Mr. Daniel J. Fink, and includes seven other members, six of whom chair standing committees of the Council.

The meeting will be closed to the public. The sole agenda item will be planning for the coming year of the activities of the Council, the committees, and their task forces, with emphasis throughout on prospective future membership of each of these groups and their interactions with NASA and outside parties. Throughout the sessions, the qualifications of these individuals will be candidly discussed and appraised with respect to the tasks to be accomplished. Because the meeting will be concerned throughout with matters listed in 5 U.S.C. 552b(c)(6), it has been

determined that this meeting should be closed to the public.

Type of Meeting: Closed.

August 20, 1986.

Richard L. Daniels,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 86-19472 Filed 8-27-86; 8:45 am]

BILLING CODE 7510-01-M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Humanities Panel Meeting

AGENCY: National Endowment for the Humanities.

ACTION: Notice of meeting.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92-463, as amended), notice is hereby given that the following meetings of the Humanities panel will be held at the Old Post Office, 1100 Pennsylvania Avenue, NW., Washington, DC 20506:

Date: September 18-19, 1986.

Time: 8:30 a.m. to 5:00 p.m.

Room: 316-2.

Program: This meeting will review applications in the fields of the humanities submitted to the Conferences category of the Reprints Program, Division of Research Programs, for projects beginning after December 1, 1986.

The proposed meeting is for the purpose of panel review, discussion, evaluation and recommendation of applications for financial assistance under the National Foundation on the Arts and Humanities Act of 1965, as amended, including discussion of information given in confidence to the agency by grant applicants. Because the proposed meeting will consider information that is likely to disclose: (1) Trade secrets and commercial or financial information obtained from a person and privileged or confidential; (2) information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; and (3) information the disclosure of which significantly frustrate implementation of proposed agency action; pursuant to authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee Meetings, dated January 15, 1978, I have determined that this meeting will be closed to the public pursuant to subsections (c) (4), (6), and (9)(B) of section 552b of Title 5, United States Code.

Further information about this meeting can be obtained from Mr. Stephen J. McCleary, Advisory Committee Management Officer, National Endowment for the Humanities, Washington, DC, 20506, or call (202) 786-0322.

Stephen J. McCleary,
Advisory Committee Management Officer.
[FR Doc. 86-19490 Filed 8-27-86; 8:45 am]
BILLING CODE 7536-01-M

Inter-Arts Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Inter-Arts Advisory Panel (Presenting Organizations Section) to the National Council on the Arts will be held on September 15, from 9:30 a.m.-7:30 p.m.; on September 16, from 9:00 a.m.-7:00 p.m.; on September 17-18, from 9:00 a.m.-7:30 p.m.; and on September 19, from 9:00 a.m.-5:00 p.m. in room M-07 of the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

A portion of this meeting will be open to the public on September 15, from 10:00-11:00 a.m. and on September 19, from 9:00 a.m.-1:00 p.m. to discuss policy issues.

The remaining sessions of this meeting on September 15, from 9:30 a.m.-10:00 a.m. and 11:00 a.m.-7:30 p.m.; September 16, from 9:00 a.m.-7:00 p.m.; September 17-18, from 9:00 a.m.-7:30 p.m.; and on September 19, from 2:00 p.m.-5:00 p.m. are for the purpose of Panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman published in the *Federal Register* of February 13, 1980, these sessions will be closed to the public pursuant to subsection (c) (4), (6) and 9(b) of section 552b of Title 5, United States Code.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW, Washington, DC 20506, 202/682-5532, TTY 202/682-5496 at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Mr. John H. Clark, Advisory Committee Management Officer, National

Endowment for the Arts, Washington, DC 20506, or call 202/682-5433.

August 22, 1986.
Yvonne Sabine,
Acting Committee Management Officer,
National Endowment for the Arts.
[FR Doc. 86-19500 Filed 8-27-86; 8:45 am]
BILLING CODE 7537-01-M

Music Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Music Advisory Panel (Jazz Presenters Section) to the National Council on the Arts will be held on September 17-18, 1986 from 9:00 a.m.-6:00 p.m.; and on September 19, 1986, from 9:00 a.m.-5:00 p.m. in room M-14 of the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

A portion of this meeting will be open to the public on September 19, from 1:00 p.m.-3:00 p.m. for a guidelines discussion and the Five-Year Plan review.

The remaining sessions of this meeting on September 17-18, from 9:00 a.m.-6:00 p.m. and on September 19, from 9:00 a.m.-12:00 noon and 3:00 p.m.-5:00 p.m. are for the purpose of Panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman published in the *Federal Register* of February 13, 1980, these sessions will be closed to the public pursuant to subsection (c) (4), (6), and 9(b) of section 552b of Title 5, United States Code.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW., Washington, DC 20506, 202/682-5532, TTY 202/682-5496 at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Mr. John H. Clark, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call 202/682-5433.

Yvonne Sabine,
Acting Committee Management Officer,
National Endowment for the Arts.
[FR Doc. 86-19501 Filed 8-27-86; 8:45 am]
BILLING CODE 7537-01-M

Office for Partnership Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Office for Partnership Panel (Locals Test Program Section) to the National Council on the Arts will be held September 17-18, 1986 from 9:30 a.m.-5:00 p.m.; and on September 19, 1986, from 9:30 a.m.-3:30 p.m. in room M-09 of the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW, Washington, DC 20506.

A portion of this meeting will be open to the public on September 18, from 2:00 p.m.-5:00 p.m. and on September 19, from 9:30 a.m.-3:30 p.m. for a discussion on policy issues, guidelines and Long-Term Planning Evaluation.

The remaining sessions of this meeting on September 17, from 9:30 a.m.-5:00 p.m. and on September 18, from 9:30 a.m.-12:30 p.m. are for the purpose of Panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman published in the *Federal Register* of February 13, 1980, these sessions will be closed to the public pursuant to subsection (c) (4), (6), and 9(b) of section 552b of Title 5, United States Code.

If you need special accommodations due to a disability, please contact the Office for Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW, Washington, DC 20506, 202/682-5532, TTY 202/682-5496 at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Mr. John H. Clark, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call 202/682-5433.

Yvonne Sabine,
Acting Committee Management Officer,
National Endowment for the Arts.
[FR Doc. 86-19502 Filed 8-27-86; 8:45 am]
BILLING CODE 7537-01-M

Theater Advisory Panel; Meetings

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), as amended, notice is hereby given that a meeting of the Theater Advisory Panel (Playwrights Section) to the National Council on the Arts will be held on September 17, 1986, from 9:00

a.m.-5:30 p.m. in room 730 of the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW, Washington, DC 20506.

This meeting is for the purpose of Panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the Agency by the

grant applicants. In accordance with the determination of the Chairman published in the Federal Register of February 13, 1980, these sessions will be closed to the public pursuant to subsections (c) (4), (6), and (9) (B) of section 552b of Title 5, United States Code.

Further information with reference to this meeting can be obtained from Mr.

John H. Clark, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call (202) 682-5433.

Yvonne Sabine,
Acting Committee Management Officer,
National Endowment for the Arts.

[FR Doc. 86-19503 Filed 8-27-86; 8:45 am]

BILLING CODE 7537-01-M

NATIONAL TRANSPORTATION SAFETY BOARD Availability of Responses of Safety Recommendations

Recommendation No.	Respondent	Date	Subject
I-85-21-27	DOD	Jan. 22, 1986	Transportation of hazardous materials on nation's highways.
I-85-19	DOT	Jan. 30, 1986	Regulate motion sulfur as hazardous materials and relate this information.
I-85-20	DOT	do	Classify as priority action the definition of a flammable solid.
I-85-2-4	Harris Corporation	Feb. 20, 1986	Hazardous waste materials; copy of waste analysis with shipping papers.
I-78-14-16	Assoc. of American Railroads	Feb. 25, 1986	Establishing hazardous materials programs for derailments.
I-85-16	Div. of Disasters & Emerg. Services (KY)	Feb. 28, 1986	Make state emergency response agencies aware of CHEMTREC.
I-85-17	do	do	Monitor state response agencies.
I-85-18	do	do	Review and update annually county emergency operation plans.
I-85-14	DOT	Mar. 18, 1986	Emergency Response Guidebook for hazardous materials.
I-86-1-2	DGE	June 12, 1986	With D-HHS develop national clearinghouse for alcohol and drug information; evaluate current programs.
I-85-21	DOD	July 21, 1986	Establish an effective communication system to provide local emergency response personnel access to information on hazardous shipments.
I-85-22	DOD	do	Amend emergency response procedures to provide to local emergency personnel prompt response assistance in accidents involving transportation of explosive shipments.
I-85-23	DOD	do	Amend the "Special Instructions for Motor Vehicle Drivers" to provide local emergency personnel with information on precautionary actions.
I-85-24	DOD	do	Provide pertinent training and materials to DOD personnel who are responsible for emergency assistance in accidents.
I-85-25	DOD	do	Establish DOD requirements for the transportation of explosives.
I-85-26	DOD	do	Establish a program to monitor motor carrier compliance with DOD requirements for hazardous transportation.
I-85-27	DOD	do	Revise loading specs for explosives to provide the lowest center of gravity which can be afforded the shipment.
P-79-27	GOT	Mar. 11, 1986	Determine if the type of service line with threaded couplings installed by Lone Star Gas Co. constitutes a hazard.
P-73-29	DOT	do	Review proposals made by the Hazardous Materials Regulation Board; review of failure records of uncoated, unprotected pipelines.
P-85-18	DOT	Mar. 17, 1986	Establish a program to determine if chemically induced ABS plastic pipe failure is nationwide.
P-85-19	DOT	do	Publish and distribute ABS plastic pipe failure data to gas operators.
P-81-38	DOT	do	Initiate rulemaking to require installation of excess flow valves on new and renewed residential high pressure services.
P-81-39	DOT	do	Determine where effective use can be made of excess flow valves to prevent accidents.
P-85-8	Texas Eastern	Mar. 18, 1986	Pipeline—corrosion control program.
P-85-7	NOVA	Apr. 25, 1986	Corrosion control—shorted casing.
P-84-26	DOT	Apr. 27, 1986	Amend regulations governing pipelines that transport highly volatile liquids.
P-86-01-02	Texas Eastern	Apr. 11, 1986	Revise construction specifications to require proper support be provided beneath gas pipelines when installed.
P-86-12	INGAA	May 1, 1986	Train personnel in backfill procedures and monitor their inspection of projects.
P-84-30	National Research Council	May 7, 1986	Task force of experts in various aspects of pipeline safety.
P-86-12	American Petroleum Institute	May 9, 1986	Notify members of accident at Kaycee, Wyoming; improve inspections.
P-86-13	do	do	Apply Battelle's research for procedures on pipe lifting and inspection.
P-86-9-11	Conf. Pipe Line Co.	May 16, 1986	Use job task analysis for procedures training, and studies in inspection and recoating techniques.
P-85-29	Dresser Industries	June 4, 1986	Revision of practice pertaining to documentation.
P-86-3	Alegasco	June 16, 1986	Provide a minimum separation of 50 feet between the natural gas liquefaction plant and equipment containing flammable gases.
P-86-4	do	do	Develop and implement a program for monitoring compliance with its operating procedures by employees at its plants.
P-86-5	do	do	Develop and implement maintenance practices at its natural gas liquefaction plants in compliance with standards.
P-86-6	do	do	Develop a system independent of the telephone to notify fire, police, or other safety officials about emergency conditions.
P-86-7	do	do	Revise its engineering flowsheet and operating manual for its natural gas liquefaction plants to reflect current facilities.
P-86-8	do	do	Determine that each valve and pipe system is identified by number; that all valves and pipe systems are identified correctly by a tag.
P-84-37	Columbia Gas	June 25, 1986	Emphasize in training of personnel the importance of following emergency procedures.
P-84-38	do	do	Review its atlases and inventory maps and denote those valves which cannot be accessed readily.
P-84-39	do	do	Emphasize the importance of knowing the location and availability of at least the critical valves within a jurisdiction.
P-84-40	do	do	Instruct personnel to be alert for and report missing pipeline markers, ground cover over valve locations, construction activities near its facilities and other occurrences which might affect operations.
P-84-41	do	do	Establish quality control procedures to assure that all changes to the system are recorded and made available to its engineering departments.
P-86-12	Amer. Gas Assoc.	July 3, 1986	Notify member companies of the pipeline accident near Kaycee, Wyoming and urge them to establish their own procedures for recoating pipelines.

Single copies of these response letters are available on written request to: Public Inquiries Section, National Transportation Safety Board, Washington, DC 20594. Please include

respondent's name, date of letter, and recommendation number(s) in your request. The photocopies will be billed at a cost of 14 cents per page (\$1 minimum charge).

Monica Revelle,
Alternate Federal Register Officer.
August 19, 1986.
[FR Doc. 86-19436 Filed 8-27-86; 8:45 am]
BILLING CODE 7533-01-M

Availability of Responses to Safety Recommendations

Recommendation No.	Respondent	Date	Subject
R-85-117-124 R-85-105	City of Elkhart..... DOT.....	Mar. 10, 1986 Mar. 20, 1986	Emergency preparedness for hazardous materials release incidents. Require that tank car shipments of hazardous materials with isolation radius of 1/2 mile or more be transported in cars equipped with head shield protection.
R-85-117	North American Car.....	Mar. 31, 1986	All stub still tank cars made prior to 1967 should be inspected to identify weld undercuts in tank heads.
R-85-123 R-83-9	Conrail..... Assoc. of American Railroads.....	Apr. 14, 1986 Apr. 15, 1986	Emergencies in freight yards involving hazardous materials. Insure that waybills for TOFC and COFC shipments containing hazardous materials include information regarding the contents.
R-85-121	Allied.....	do	Revise procedures to ensure compliance with regulation regarding the amount of commodity remaining in empty tank cars.
R-85-53 R-85-24 R-85-71-72	Alaska Railroad Corp..... DOT..... Dept. of Labor.....	Apr. 18, 1986 Apr. 22, 1986 Apr. 23, 1986	Railyard safety procedures. Initiate research regarding the postmortem generation of alcohol levels due to microbial action. Review and revise priorities inspections and institute new program of inspections at petrochemical loading facilities.
R-85-53 R-85-130	Chicago & Illinois Midland Railway Company..... NOAA.....	Apr. 24, 1986 Apr. 28, 1986	Hazardous materials emergency preparedness. Solicit the submission of severe weather observations from citizens and provide more complete overview of weather parameters at remote locations.
R-85-131	NOAA.....	do	Evaluate the revision criteria for use of the tone alert signal with NOAA Weather Radio to include special weather statements.
R-85-82	Amtrak.....	Apr. 29, 1986	Apply for an exclusive radio channel for the National Railroad Passenger Corporation's operation use in the New York area.
R-85-83	do	do	Develop an operating rules verification procedure that will require employees to demonstrate that they understand the rules and can apply them in emergency circumstances.
R-86-1	Wilmer, Cutler & Pickering.....	May 5, 1986	Establish a standard for identifying railroad car bearings to include date of manufacture or installation.
R-86-2	do	do	Evaluate for adequacy and timeliness Brenco Incorporation's program of inspection and replacement for railroad car bearings manufactured from 1978-1980.
R-86-3	do	do	Require that all roller bearings manufactured by Brenco Inc. during 1978-1980 that are in service on railroad hazardous material cars be replaced.
R-84-19	New York City Transit Authority.....	May 6, 1986	Require that inspectors responsible for insuring safe conditions of track know the standards for maintaining those conditions.
R-85-129 R-85-53 R-85-51	DOT..... Indiana Harbor Belt Railroad Company..... DOT.....	May 8, 1986 May 20, 1986 do	Radios in railroad transportation safety. Hazardous material emergency response plan. Assignment of responsibilities to conductors and locomotive engineers on freight trains.
R-85-84 R-85-47 R-82-35	Assoc. of American Railroads..... DOT..... New York City Transit Authority.....	May 21, 1986 May 22, 1986 May 23, 1986	Review methods of conducting operating rules classes and administering tests for deficiencies. Selection and training of individuals employed in safety sensitive positions. Train operating department personnel in the differences between the two train control systems used on the NYCTA system.
R-82-39	do	do	Accelerate the modernization of NYCTA train control signal system by installing the prevalent TA train control.
R-82-42	do	do	Review and revise the procedures for notification of emergency and rescue personnel to eliminate delays and provide all available information.
R-86-9	Public Transp. Safety Board.....	May 27, 1986	Evaluate the training programs of track, signal, and operating personnel to provide for safe operation.
R-86-10	do	do	Require the NYCTA to include in the safety plan its program for training employees involved in train operations.
R-86-11	do	do	Evaluate the supervision of NYCTA employees to determine if the supervision is adequate to assure that work is performed in accordance with rules and procedures.
R-86-12	do	do	Require the NYCTA to include in the safety plan a program for improving management coordination between departments that are performing comparable functions.
R-85-55	Fed. Emerg. Management Agency.....	May 29, 1986	Emergency planning and response guidelines for communities with large populations located near major railroad yards.
R-80-30	Amtrak.....	June 3, 1986	Prohibit the use in revenue service trains of passenger train cars with defective conditions that may affect their safe operation.
R-83-62 R-83-64 R-83-69	do do do	do do do	Develop and install a central alarm system in sleeping cars. Provide an emergency escape window exist in each sleeping compartment. Discontinue the use of paper trash bags in all passenger trains and install fire proof trash containers.
R-83-72	do	do	Include supervisory personnel and onboard service personnel in refresher training programs covering the changes in emergency procedures.
R-83-75	do	do	Develop a passenger briefing card or place information on the location and operation of emergency exits, fire extinguishers, and first aid kits in prominent places in passenger cars and sleeper cars.
R-85-125	do	do	Eliminate the vulnerability of the battery boxes supplying power for radio usage and lighting on its locomotives in a derailment.
R-85-126	do	do	Replace the existing mirrors in sleeping car compartments and coach lounges with shatterproof material.
R-85-127	do	do	Redesign and modify the coach and setback cushions in Heritage-class coaches to prevent dislodging after an impact from behind.
R-85-128	do	do	Develop and install retention devices on luggage racks to prevent dislodging of luggage in a collision or derailment.
R-75-6	Metro North Commuter Railroad.....	June 4, 1986	Equip all rail lines with a system that will control the speed of the train in compliance with signals.
R-76-48 R-76-49	do do	do do	Change the emergency release mechanism for the side doors in M-1 and M-2 cars. Provide means for emergency aid personnel to open the doors from the outside when electrical power is lost.
R-85-53	DOT.....	June 6, 1986	Enhance safety in transit systems in the areas of uncoupling of trains in emergency situations and provide emergency procedures when transit systems are located near railroads.
R-85-124 R-85-10-11	DOT..... DOT.....	June 11, 1986 do	Identify and correct undercut welds in tank car heads. Railroad track inspections.

Recommendation No.	Respondent	Date	Subject
R-86-4	New York City Transit Authority	June 19, 1986	Establish and carry out a management review and evaluation program to improve the management control and administrative guidance available to identify and correct deficient staffing, training, procedures, inspection and supervision of NYCTA system.
R-86-5	do	do	Establish a standard for determining the wear limit for the top of the wheel flange to prevent wheels continuing in service that have a flat surface on the flange.
R-86-6	do	do	Inspect periodically and improve where necessary the condition and legibility of the circuit schematic drawings on the panels of all substations for easy reference by power maintainers.
R-86-7	do	do	Review and improve the procedures for management coordination between divisions that are performing comparable functions or joint system wide programs.
R-86-8	do	do	Expedite the completion of the new track standards manual and instruct all employees responsible for track inspection, maintenance, and replacement in those standards.
R-84-37	Amtrak	June 23, 1986	Review the contribution of the ontime incentive program in encouraging contractor railroad operating practices.
R-84-38	do	do	Regularly review locomotive speed recorder tapes as they are removed from locomotives to detect noncompliance with speed restrictions.
R-84-39	do	do	Reroute passenger trains between Joliet and Mazonia, Illinois onto track where there are fewer railroad and highway grade crossings.
R-84-40	do	do	Correct the identified design deficiencies in the interior features of existing and new passenger cars.
R-84-41	do	do	Modify the overspeed devices on Amtrak diesel-electric locomotive units.
R-84-43	do	do	Improve the cooperative program with the Illinois Central Gulf Railroad for monitoring engine crew performance and compliance with operating rules.
R-85-53	Indiana Harbor Belt Railroad Company	June 24, 1986	Posting exit route maps at IHB location's at Blue Island Yard marking the exit routes in color.
R-78-51	PA Emerg. Management Agency	July 9, 1985	Implement a disaster operations plan.
R-79-13	BART	July 14, 1985	Provide a suitable securement mechanism for all under car equipment covers on BART rolling stock.
R-79-47	BART	do	Provide a means for fire departments to use their own radio equipment in the Transbay Tube and other long tunnel locations.
R-79-49	BART	do	Provide additional Central train radio frequency for emergency communications.
R-79-50	BART	do	Upgrade the flame resistance of vehicle seat assemblies and other plastic components.
R-79-52	BART	do	Redesign and modify car uncoupling circuitry to provide Train operators with a means of uncoupling from within the cars in the event of an electrical short or malfunction.
R-85-117	GE	July 16, 1986	Sub still tank cars made prior to 1967 should be inspected to identify weld undercuts in tank heads.
R-85-84	Assoc. of American Railroads	July 21, 1986	AAR Rules Committee meeting.
R-80-8	Southeastern PA Trans. Authority	July 23, 1986	Change the construction of the side doors on Market-Frankford Subway-Elevated so that they cannot be closed and locked on a person.
R-80-9	do	do	Establish a control circuit which will prevent the train from moving until all doors are closed.
R-81-36	do	do	Install approved rear marking devices on its commercial cars and discontinue the use of rear-facing headlights.
R-83-18	DOT	July 29, 1986	Radioactive materials carried in a trailer-on-flat-car arrangement.

Single copies of these response letters are available on written request to: Public Inquiries Section, National Transportation Safety Board, Washington, DC 20594. Please include

respondent's name, date of letter, and recommendation number(s) in your request. The photocopies will be billed at a cost of 14 cents per page (\$1 minimum charge).

Monica Revelle,

Alternate Federal Register Officer.

August 20, 1986.

[FR Doc. 86-19437 Filed 8-27-86; 8:45 am]

BILLING CODE 7533-01-M

Availability of Responses to Safety Recommendations

Recommendation No.	Respondent	Date	Subject
A-75-35	FAA	May 23, 1986	Establish traffic control area to encompass airports in the Tidewater area.
A-81-25	FAA	May 23, 1985	Require aircraft flight manuals for light twin-engines contain data on capability to maintain level flight.
A-86-44	FAA	May 30, 1986	Issue a GENOT to require controllers to inform airplanes to hold on runways before takeoff.
A-86-45	FAA	do	Establish on a trial basis at O'Hare Airport control tower, local control coordinator positions.
A-86-46	FAA	do	Evaluate the need for a local control coordinator position at all major airports that use intersecting runways in concurrent operations.
A-84-101	FAA	June 3, 1986	Require airports certificated or air carrier operations that signs be installed which are classified by function.
A-85-73	FAA	June 3, 1986	Issue an AD applicable to Pilatus Britten-Norman BN-2, BN-2A, BN-2B, BN-2T, and BN-2A Mk III model airplanes.
A-85-74	FAA	do	Amend FAA's operations specs applicable to Vieques Air Link, Inc. to require that preflight checks for fuel contamination be made.
A-86-75	FAA	do	Require Pilatus Britten-Norman to install a device to measure airplane attitude.
A-85-76	FAA	do	Require Pilatus Britten-Norman to prepare and disseminate a Safety Advisory relating to water in the fuel to all operators of the BN-2, BN-2A, BN-2B, BN-2T, and BN-2A Mk III model airplanes.
A-84-119	FAA	June 9, 1986	Expedite the development and adoption of the en route sector loading prediction program.
A-84-120	FAA	do	Take interim measures to control traffic access to the ATC system.
A-84-122	FAA	do	Develop and put into effect radar handoff procedures which require that either an automated interfacility handoff be completed or that voice communications between controllers be established before an airplane is permitted to proceed.
A-84-50	FAA	do	Develop and implement a plan for improved surveillance and enforcement of possession of a valid medical certificate.
A-86-22	FAA	June 20, 1986	Issue an AD to require compliance with Cessna Service Information Letter SE 79-6 by all Cessna single-engine airplanes manufactured before 1979.
A-86-23	FAA	do	Require that throttle opening springs be installed on all Cessna single-engine airplanes with carbureted engines.
A-85-133	FAA	June 23, 1986	Require the manufacturer to modify the design of the Boeing 747 empennage so that the stabilizers and their surfaces will be protected.
A-86-1	FAA	do	Issue an AD to require an immediate inspection of all Boeing 747s having a minimum number of operating cycles to verify that all bolts are torqued adequately.

Recommendation No.	Respondent	Date	Subject
A-81-13	FAA	June 25, 1986	Review certification of baggage/cargo compartments.
A-84-129	FAA	June 26, 1986	Hinge installation on forward cabin to prevent blockage of the doorway.
A-85-142-144	FAA	June 27, 1986	Incorporate specific instructions or installing control wheel switch ribbon wire in aircraft manuals.
A-85-130	FAA	do	Review of passenger oxygen system.
A-74-38	FAA	July 10, 1986	Amend 14 CFR 23.777-23.781 to include specs for standardizing power plant control location, visual and tactile appearance, and mode of actuation.
A-74-39	FAA	do	Amend 14 CFR 23 to include specs for standardizing fuel selector valve handle designs, displays, and modes of operations.
A-83-15	FAA	do	Record output data from all installed low level wind shear alert systems sensors and retain data to reconstruct wind shear events for studies.
A-83-21	FAA	do	Use the data obtained from the Joint Airport Weather Studies (JAWS) Project.
A-83-22	FAA	do	Use the data obtained from JAWS Project to develop training aids, develop wind models, and promoted wind shear detection devices.
A-83-23	FAA	do	Expedite the development, testing, and installation of Doppler weather radar to detect wind shears.
A-86-6	FAA	do	Issue an AD applicable to Beech series 33, 35, 36, 55, 58, and 95-97 airplanes requiring compliance with the action outlined in Beechcraft Safety Communique dated 4/11/85.
A-82-91	FAA	July 14, 1986	Establish human performance criteria for the development of instrument approach procedures.
A-82-92	FAA	do	Establish human performance checklists or guidelines for use by procedures specialists and flight inspection pilots when evaluating new approach procedures.
A-85-20	FAA	July 15, 1986	Issue an AD requiring compliance with Bellanca Service Letter No. C-139A applicable to Models 7GC, 7GCA, 7GCB, 7GCB, 7HC, 7KC, 7KCB, 7ECA, 7GCAA, 7GCB, 8KCB, and 8GCB.
A-86-24	FAA	do	Issue an AD in addition to AD 80-14-12 to require a one-time ultrasonic or eddy current inspection of Parsons Company main rotor blades with more than 3,000 hours time used on Hiller Aviation Model UH-12 helicopters.
A-80-126	FAA	July 17, 1986	Develop instructions for installing shoulder harnesses at each seat in current models and types of general aviation aircraft in which shoulder harness attachment points were not provided.
A-80-130	FAA	do	Revise current standards for seat restraint systems to incorporate crashworthiness improvements.
A-80-131	FAA	do	Establish standards for the dynamic testing of occupant protection devices required in aircraft.
A-75-51	FAA	do	Amend 14 CFR 23.785(f) to require dynamic testing of seats to insure more realistic protection of occupants.
A-81-27	FAA	do	Emergency exists on general aviation aircraft.
A-85-122	FAA	do	Amend 14 CFR Part 23 to specify performance standards for the seat/restraint systems in small airplanes.
A-86-04	FAA	do	Amend AD 75-23-08 applicable to Cessna T130, 320, 340, 401, and 411 series airplanes and to Model 402, 402A, 402B, 414, 421, 421A, and 421B airplanes.
A-86-05	FAA	do	Amend AD 75-23-08 applicable to Cessna T130, 320, 340, 401, and 411 series airplanes and to Model 402, 402A, 402B, 414, 421, 421A, and 421B airplanes.
A-80-13	FAA	July 21, 1986	Take action to provide double failure protection by means of a secondary locking device on nose baggage doors of light twin engine aircraft engaged in Part 135 operations.
A-80-108-109	FAA	July 23, 1986	Amending ATC handbook.
A-85-138, 140	FAA	July 25, 1986	"Fail-safe" criteria for pressure bulkheads of Boeing 747 airplanes.
A-82-149	FAA	July 28, 1986	On-the-job training for air traffic controllers training guide for pilots of turbojet airplanes.
A-83-78	FAA	do	Passenger seats with fire blocking materials be installed in transport category airplanes.
A-83-79	FAA	do	Require that cabin emergency lighting be installed.
A-83-81	FAA	do	Depict tactile emergency exit indicators on passenger briefing cards and include in oral briefings.
A-85-77	FAA	do	Issue an AD requiring the installation of individual fuel line drain valve in Piper Apache Model PA-23-150, PA-23-160, and PA-23-235 airplanes.
A-85-78	FAA	do	Require the Piper Aircraft Corp. to publish service and operating information describing preflight fuel sampling procedures.
A-86-25	FAA	July 30, 1986	Issue an AD to require that the combustion chambers of Pratt & Whitney Aircraft JT8D-1-17AR engines be inspected in accordance with Service Bulletin No. 5649.
A-86-26	FAA	do	Review all FAA-approved Pratt & Whitney Aircraft JT8D engine condition monitoring programs.
A-86-27	FAA	do	Require that Principal Maintenance Inspectors survey the use of FAA-approved engine condition monitoring programs.
A-86-28	FAA	do	Issue an AD to require that the one-time, on-wing eddy current inspection specified in the directive be repeated at 1,000-cycle intervals until stage 7-8, 8-9, 9-10 removable sleeve spacers are replaced.
A-86-29	FAA	do	Convene a maintenance review board with experts to review maintenance reliability programs.
A-82-123, 124, 126, 127	FAA	Aug. 1, 1986	Training guide for pilots of turbojet airplanes.

Single copies of these response letters are available on written request to: Public Inquiries Section, National Transportation Safety Board, Washington, DC 20594. Please include

respondent's name, date of letter, and recommendation number(s) in your request. The photocopies will be billed at a cost of 14 cents per page (\$1 minimum charge).

Monica Revelle,

Alternate Federal Register Officer.

August 19, 1986.

[FR Doc. 86-19438 Filed 8-27-86; 8:45 am]

BILLING CODE 7533-01-M

Availability of Responses to Safety Recommendations

Recommendation No.	Respondent	Date	Subject
H-85-56	North Carolina State Board of Education	April 12, 1986	Discontinue the practice of hiring 16- and 17-year-old schoolbus drivers.
H-85-57	do	do	Take steps to correct passenger discipline problems encountered by current school bus drivers under 18 years of age.
H-85-58	do	do	Ensure that local school districts comply with the federal guidelines.
H-85-13	Louisiana Bureau of School Transportation	May 16, 1986	Incorporate into pupil transportation contracts minimum standards for schoolbus driver certification, licensing, and training.
H-85-13	Hawaii Dept. of Education	do	Do.
H-85-13	Delaware Dept. of Public Instruction	do	Do.
H-85-13	Connecticut DMV	May 19, 1986	Do.
H-85-13	New Jersey Dept. of Education	do	Do.
H-85-13	Iowa Dept. of Public Instruction	do	Do.
H-85-13	West VA Dept. of Education	May 20, 1986	Do.

Recommendation No.	Respondent	Date	Subject
H-85-13	New Mexico Dept. of Education	do	Do.
H-85-13	Georgia Dept. of Education	May 21, 1986	Do.
H-85-13	Wisconsin Dept. of Public Instruction	do	Do.
H-85-13	Oregon Dept. of Education	do	Do.
H-85-13	New Hamp. Dept. of Safety	do	Do.
H-85-13	New York State Educ. Dept.	do	Do.
H-85-13	Wyoming Dept. of Education	do	Do.
H-85-13	Nebraska Dept. of Education	May 22, 1986	Do.
H-85-13	Rhode Island DMV	do	Do.
H-85-13	Penn. Dept. of Trans.	do	Do.
H-85-13	N. Carolina State Board of Ed.	May 23, 1986	Do.
H-85-13	Michigan Dept. of Education	do	Do.
H-85-13	Montana Office of Public Instruction	do	Do.
H-85-13	Maine Dept. of Educational and Cultural Services	May 27, 1986	Do.
H-85-13	Kentucky Dept. of Education	May 28, 1986	Do.
H-85-13	Alaska Dept. of Public Safety	do	Do.
H-85-13	Missouri Dept. of Elementary and Secondary Education	do	Do.
H-85-13	California Dept. of Education	do	Do.
H-85-13	Alabama Dept. of Education	do	Do.
H-85-13	N. Dakota Governor	do	Do.
H-85-13	Texas Education Agency	May 29, 1986	Do.
H-85-13	Nebraska DMV	May 30, 1986	Do.
H-85-13	Idaho Dept. of Education	June 2, 1986	Do.
H-85-13	Tenn. Dept. of Safety	June 3, 1986	Do.
H-85-13	Texas Governor	do	Do.
H-85-13	Maryland Dept. of Education	June 5, 1986	Do.
H-85-13	California DMV	June 6, 1986	Do.
H-85-56	N. Carolina Board of Ed.	June 9, 1986	Discontinue the practice of hiring 16- and 17-year-old schoolbus drivers.
H-85-57	do	do	Take steps to correct passenger discipline problems encountered by current schoolbus drivers under 18 years of age.
H-85-58	do	do	Ensure that local school districts comply with federal guidelines.
H-85-05 and 41	do	do	Schoolbuses should be equipped with seat belts and drivers should wear them when the bus is in motion.
H-85-56	Charlotte Mecklenburg Sch.	do	Discontinue the practice of hiring 16- and 17-year-old schoolbus drivers.
H-85-57	do	do	Take steps to correct passenger discipline problems encountered by current schoolbus drivers under 18 years of age.
H-85-58	do	do	Ensure that local school districts comply with the federal guidelines.
H-79-31	Oregon DMV	June 10, 1986	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-85-12	Delaware Dept. of Public Instruction	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their driving skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-85-12	Nevada Governor	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their driving skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-85-12	Virginia Governor	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-84-80	Ohio Dept. of Highway Safety	June 11, 1986	Take steps to preclude reduction of an alcohol related charge to a non-alcohol related charge and require the defendant's record reflect the original charge.
H-84-86	do	do	Take action to increase the availability and quality of alcohol treatment services designed for juvenile alcohol abusers.
H-85-12	Penn. Dept. of Trans.	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-84-78	Kentucky Justice Cabinet	June 12, 1986	Propose legislation and/or take action to facilitate the collection of DWI evidence based on the drawing of blood for BAC test purposes.
H-84-79	do	do	Encourage detention agencies to adopt DWI holding and release policies that do not permit the release of alcohol offenders until after their BAC has dropped below the lowest level specified in State law.
H-84-82	do	do	Take steps to develop a system that preserves records of alcohol-related traffic offenses committed by a juvenile after the offender reaches adulthood.
H-84-83	do	do	Take steps to complete records of DWI defendants' previous alcohol-related traffic offenses, including those committed as a juvenile.
H-84-85	do	do	Take steps to ensure that no diversion or supervision program is used in place of license revocation/suspension and that court and DMV records reflect participation in these programs.
H-85-12	New Mexico Dept. of Education	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-85-12	Arkansas Governor	June 13, 1986	Develop a program for local school districts targeted at drivers of privately-owned and operated transportation vehicles that includes a review of laws, regulations, and policies.

Recommendation No.	Respondent	Date	Subject
H-85-12	Hawaii Governor	June 16, 1986	Do.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-77-41	DOT	June 17, 1986	FHWA require local jurisdictions obtain State approval before installing traffic control devices on State routes through their jurisdiction.
H-85-12	Utah Dept. of Transp.	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-85-12	D.C. Dept. of Public Works	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-85-12	Maryland Governor	June 23, 1986	Do.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their driving skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-71-37	DOT	June 26, 1986	Expand rulemaking to require in all buses the installation of occupant restraints, active and passive.
H-72-18	do	do	Upgrading strength requirements of door hinges and latches.
H-74-25	do	do	Revise S.5.5.2 to include a location of seatback latches and an operation of the latches.
H-85-12	Colorado Governor	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-85-12	Conn. Executive Chambers	do	Do.
H-85-12	Kansas Governor	June 30, 1986	Do.
H-74-72	do	do	Safety aspects of recreational vehicles.
H-84-72	Vermont Governor	July 2, 1986	Enact legislation to require operators of noncommercial buses to demonstrate their driving skills by taking an exam and road test.
H-79-31	New York Governor	July 22, 1986	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.
H-84-75	DOT	July 28, 1986	Revise FMVSS to include a requirement that schoolbus seat cushions be installed with latching devices.
H-76-4	DOT	July 29, 1986	Study the effectiveness of probationary licenses.
H-85-20	DOT	do	Revise CFR to require that drivers forward status record to the employing motor carrier after completion.
H-85-21	DOT	do	Revise CFR to add all time worked by a commercial driver for all full-time and part-time employers to the definition of "on-duty" time.
H-86-12	National Assoc. of Independ. Insurers	do	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-60	DOT	July 30, 1986	Determine practical methods and means to prevent or minimize dozing at the wheel by drivers of carriers in interstate commerce.
H-85-12	New Hamp. Governor	July 31, 1986	Develop a program for local school districts targeted at drivers of privately-owned and operated pupil transportation vehicles that includes a review of laws, regulations, and policies.
H-84-72	do	do	Enact legislation to require operators of noncommercial buses to demonstrate their driving skills by taking an exam and road test.
H-79-31	do	do	Enact legislation that the driver of any motor vehicle with a seating capacity of more than 16 passengers possess a certificate indicating the driver's successful completion of a training course.

Single copies of these response letters are available on written request to: Public Inquiries Section, National Transportation Safety Board, Washington, DC 20594. Please include respondent's name, date of letter, and recommendation number(s) in your request. The photocopies will be billed at a cost of 14 cents per page (\$1 minimum charge).

Monica Revelle,
Alternate Federal Register Officer.
August 22, 1986.

[FR Doc. 86-19439 Filed 8-27-86; 8:45 am]
BILLING CODE 7533-01-M

POSTAL RATE COMMISSION

[Docket No. A86-21; Order No. 703]

North Westchester, Connecticut 06474 (Adam Pierkarz, Petitioner); Notice and Order Accepting Appeal and Establishing Procedural Schedule

Issued August 19, 1986.

Before Commissioners: Janet D. Steiger, Chairman; Bonnie Gupton, Vice-Chairman;

John W. Crutcher; Henry R. Folsom; Patti Birge Tyson.

Docket Number: A86-21.

Name of Affected Post Office: North Westchester, CT 06474.

Name(s) of Petitioner(s): Adam Pierkarz.

Type of Determination: Closing.

Date of Filing of Initial Appeal Papers: August 15, 1986.

Categories of Issues Apparently Raised:

1. Effect on the community. [39 U.S.C. 404(b)(2)(A)].
2. Effect on postal services. [39 U.S.C. 404(b)(2)(C)].

Other legal issues may be disclosed by the record when it is filed; or conversely, the determination made by the Postal Service may be found to dispose of one or more of these issues.

In the interest of expedition within the 120-day decision schedule [39 U.S.C. 404(b)(5)] the Commission reserves the right to request of the Postal Service memoranda of law on any appropriate issue. If requested, such memoranda will be due 20 days from the issuance of the

request; a copy shall be served on the Petitioner. In a brief or motion to dismiss or affirm, the Postal Service may incorporate by reference any such memorandum previously filed.

The Commission orders:

(A) The record in this appeal shall be filed on or before September 1, 1986.

(B) The Secretary shall publish this Notice and Order and Procedural Schedule in the **Federal Register**.

By the Commission.

Charles L. Clapp,
Secretary.

Appendix.—North Westchester, Connecticut 06474

August 15, 1986—Filing of Petition.

August 19, 1986—Notice and Order of Filing of Appeal.

September 9, 1986—Last day of filing of petitions to intervene [see 39 CFR 3001.111(b)].

September 19, 1986—Petitioner's Participant Statement or Initial Brief [see 39 CFR 3001.115 (a) and (b)].

October 9, 1986—Postal Service Answering Brief [see 39 CFR 3001.115(c)].

October 24, 1986—Petitioners' Reply Brief should petitioners choose to file one [see 39 CFR 301.115(d)].

October 31, 1986—Deadline for motions by any party requesting oral argument. The Commission will schedule oral argument only when it is a necessary addition to the written filings [see 39 CFR 301.116].

December 12, 1986—Expiration of 120-day decisional schedule [see 39 U.S.C. 404(b)(5)].

[FR Doc. 86-19440 Filed 8-27-86; 8:45 am]

BILLING CODE 7715-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-15269 (File No. 812-6365)]

Centex Collateralized Mortgage Corp.; Application

August 21, 1986.

Notice is hereby given that Centex Collateralized Mortgage Corporation ("Applicant"), 4600 RepublicBank Tower, Dallas, Texas 75201 filed an application on April 29, 1986, and an amendment thereto on August 21, 1986, for an order pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") exempting Applicant from all provisions of the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act for the relevant provisions thereof.

Applicant, an indirect wholly-owned subsidiary of Centex Corporation (a publicly-held Nevada corporation) is a limited purpose corporation organized to facilitate the financing of long-term mortgages on single-family residences through the issuance and sale of multiple series of bonds ("Bonds") secured by one or more of the following types of mortgage collateral (collectively, "Mortgage Collateral"): GNMA Certificates, FNMA Certificates, FHLMC Certificates, conventional mortgage loans, FHA loans and VA loans (both of the latter defined more fully in the application) (GNMA Certificates, FNMA Certificates and FHLMC Certificates collectively referred to herein as "Mortgage Certificates" and conventional mortgage loans, FHA loans and VA loans collectively referred to herein as "Pledged Loans").

Applicant proposes to issue series of Bonds which will have multiple maturities resulting from the division of the series into two or more classes. Each series of Bonds will be issued pursuant to a trust indenture between Applicant and an independent trustee, supplemented by a supplemental trust

indenture with respect to that series, and will be sold to private or public investors through one or more investment banking firms or directly by Applicant. The trust indentures and the trustees serving thereunder for public offerings of series of Bonds will be subject to the provisions of and qualified under the Trust Indenture Act of 1939. Applicant represents that it intends to select Mortgage Certificates without regard to whether they evidence an undivided 100% interest in the underlying pool of mortgage loans.

Applicant represents that any offerings of securities by it will be limited to offerings of Bonds meeting the following conditions:

(1) Each series of Bonds will be registered under the Securities Act of 1933 ("Securities Act") unless offered in a transaction exempt from registration pursuant to section 4(2) of the Securities Act.

(2) The Bonds will be "mortgage related securities" within the meaning of section 3(a)(41) of the Securities Exchange Act of 1934. However, the Mortgage Collateral underlying each series of Bonds will be limited to (i) GNMA Certificates, (ii) FNMA Certificates, (iii) FHLMC Certificates and (iv) Pledged Loans (secured by first lien mortgages or deeds of trust on one-to-four family residences).

(3) All Mortgage Collateral, funds, accounts and other collateral securing each series of Bonds ("Bond Collateral") will be held by an independent trustee or on behalf of such trustee by an independent custodian. Such independent custodian will not be an affiliate (as such term is defined in Securities Act Rule 405, 17 CFR 230.405) of Applicant, or of the master servicer or originating lender of any Pledged Loans securing as series of Bonds. If there is no master servicer, no servicer of such Pledged Loans may be an affiliate of such independent custodian. The trustee will be provided with a first priority perfected security or lien interest in and to all Bond Collateral.

(4) Each series of Bonds will be rated in one of the two highest bond rating categories by at least one nationally recognized statistical rating organization that is not affiliated with Applicant. The Bonds will not be considered "redeemable securities" within the meaning of section 2(a)(32) of the Act.

(5) No less often than annually, an independent public accountant will audit the books and records of Applicant and in addition will report on whether the anticipated payments of principal and interest on the Mortgage Collateral securing such series of Bonds continue to be adequate to pay principal and interest on such series of Bonds in accordance with their respective terms. Upon completion, copies of such report will be provided to the trustee for the related series of Bonds.

(6) The master servicer of any Pledged Loans securing a series of Bonds may not be an affiliate of the trustee for the Bonds of such series. If there is no master servicer, no servicer of such Pledged Loans may be an affiliate of such trustee. The master servicer

and any servicer of such Pledged Loans will be approved by FNMA or FHLMC as an "eligible/servicer" of conventional, residential mortgage loans. The agreement governing the servicing of any of such Pledged Loans shall obligate the servicer to provide substantially the same services with respect to such Pledged Loans as such servicer is then currently required to provide in connection with the servicing of mortgage loans insured by FHA, guaranteed by VA or eligible for purchase by FNMA or FHLMC.

(7) If new Mortgage Collateral is substituted for Mortgage Collateral initially pledged to secure as series of Bonds, such new Mortgage Collateral must (i) be of equal or better quality than the Mortgage Collateral replaced, (ii) have payment terms and cash flow similar to the Mortgage Collateral replaced, (iii) be insured or guaranteed to the same extent as the collateral replaced and (iv) meet the conditions set forth in paragraphs (2), (3) and (6) above. In addition, new Mortgage Collateral may not be substituted for more than 20% of the aggregate face amount of the Pledged Loans initially pledged as Mortgage Collateral for a series of Bonds or for more than 40% of the aggregate face amount of the Mortgage Certificates initially pledged as Mortgage Collateral for a series of Bonds. New Pledged Loans may be substituted for Pledged Loans initially pledged as Mortgage Collateral for a series of Bonds only in the event of default, late payments or defect in the Pledged Loans being replaced. In no event may any new Mortgage Collateral be substituted for any other substitute Mortgage Collateral.

Applicant represents that the Bond Collateral which will secure a series of Bonds will be calculated to produce a cash flow sufficient to support Applicant's obligations to make periodic principal and interest payment to holders of the Bonds of the related series in accordance with their terms and to fully amortize such Bonds not later than their stated maturities. Applicant further represents that its ability to make periodic principal and interest payments on the Bonds of a series will not depend upon the actual earnings on investment and reinvestment of amounts in the reserve funds, if any, included in the related trust estate.

Applicant states that the trust indentures with respect to each series of Bonds may contain provisions permitting Applicant, at its discretion, to withdraw Mortgage Collateral which represents collateral in excess of that required to produce a cash flow sufficient to support its obligation to pay principal and interest on the Bonds in accordance with their terms and to fully amortize such Bonds not later than their stated maturities. Applicant states that over-collateralization of series of Bonds will occur due to the pledge on the original issue date of more collateral

than in necessary to support its obligation to bondholders. In addition, it is stated that over-collateralization will also result if any Mortgage Collateral pledged to secure such series is backed by or consists of graduated payment mortgage loans which provide for negative amortization of the principal balance in the early years of such mortgage loan.

Applicant asserts that: (1) It is not the type of entity to which the provisions of the Act were intended to apply; (2) it may be unable to proceed with its proposed transactions if the uncertainties concerning the applicability of the provisions of the Act are not removed; and (3) the proposed transactions are intended to serve a recognized and critical public need by expanding the existing market for Mortgage Collateral, thereby increasing the pool of funds available for mortgage loans and the capacity of mortgage lenders to meet the housing finance needs of the nation.

Notice is further given that any interested person wishing to request a hearing on the application may, not later than September 11, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of his interest, the reasons for his request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicant at the address stated above. Proof of service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed with the request. After said date an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 86-19546 Filed 8-27-86; 8:45 am]
BILLING CODE 8010-01-M

[File No. 22-15744]

Application and Opportunity for Hearing; Citicorp

August 21, 1986.

Notice is hereby given that Citicorp (the "Applicant") has filed an application under clause (ii) of section 310(b)(1) of the Trust Indenture Act of 1939 (the "Act") for a finding that the trusteeships of United Trust Company of New York (the "Trust Company") under

four existing indentures, and a Pooling and Servicing Agreement (the "Agreement") dated as of June 1, 1986 under which certificates evidencing interests in a pool of mortgage loans have been issued, is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trust Company from acting as Trustee under either of such indentures or the Agreement.

Section 310(b) of the Act provides in part that if a trustee under an indenture qualified under the Act has or shall acquire any conflicting interest it shall within ninety days after ascertaining that it has such a conflicting interest, either eliminate the conflicting interest or resign as trustee. Subsection (1) of section 310(b) provides, with certain exceptions, that a trustee under a qualified indenture shall be deemed to have a conflicting interest if such trustee is trustee under another indenture under which securities of an obligor upon the indenture securities are outstanding. However, under clause (ii) of subsection (1), there may be excluded from the operation of the subsection another indenture under which other securities of the same obligor are outstanding, if the issuer shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under both the qualified indenture and such other indenture is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such trustee from acting as trustee under one of such indentures.

The Applicant alleges that:

(1) The Trust Company currently is acting as Trustee under four indentures in which the Applicant is the obligor. The indenture dated as of February 15, 1972 involved the issuance of Floating Rate Notes due 1989, the indenture dated as of March 15, 1977 involved the issuance of various series of unsecured and unsubordinated Notes, the indenture dated as of August 25, 1977 involved the issuance of Rising-Rate Notes, Series A and the indenture dated as of April 21, 1980 involved the issuance of various series of unsecured and unsubordinated Notes. Said indentures were filed as, respectively, Exhibits 4(a), 2(b), 2(b), and 2(a) to Applicant's respective Registration Statements Nos. 2-42915, 2-58355, 2-59396 and 2-64862 filed under the Securities Act of 1933, and have been qualified under the Trust Indenture Act of 1939. Said four indentures are hereinafter called the Indentures and the securities issued pursuant to the

Indentures are hereinafter called the Notes.

(2) The Applicant is not in default in any respect under the Indentures or under any other existing indenture.

(3) On June 23, 1986, the Trust Company entered into a Pooling and Servicing Agreement dated as of June 1, 1986 (the "1986-G Agreement") with Citibank, N.A., Originator and Servicer, and Citicorp Homeowners, Inc., under which there were issued on June 23, 1986 Mortgage Pass-Through Certificates, Series 1986-G 10.00% Pass-Through Rate (the "Series 1986-G Certificates"), which evidence fractional undivided interests in a pool of conventional one-to-four-family mortgage loans (the "1986-G Mortgage Pool") originated and serviced by Citibank, N.A. and having adjusted principal balances aggregating \$101,897,000.47 at the close of business on June 1, 1986, which mortgage loans were assigned to the Trust Company as Trustee simultaneously with the issuance of the Series 1986-G Certificates. On June 23, 1986, Applicant, the parent of Citibank, N.A., entered into a guaranty of even date (the "1986-G Guaranty") pursuant to which applicant agreed, for the benefit of the holders of the Series 1986-G Certificates, to be liable for 6.5% of the initial aggregate principal balance of the 1986-G Mortgage Pool and for lesser amounts in later years pursuant to the provisions of the 1986-G Guaranty. The 1986-G Guaranty states the Applicant's obligations thereunder rank *pari passu* with all unsecured and unsubordinated indebtedness of Applicant, and accordingly, if enforced against Applicant, the 1986-G Guaranty would rank on a parity with the obligations evidenced by the Notes. The Series 1986-G Certificates were registered under the Securities Act of 1933 (Registration Statement on Forms S-11 and S-3, File No. 33-780) as part of a delayed or continuous offering of \$1,000,000,000 aggregate amount of Mortgage Pass-Through Certificates pursuant to Rule 415 under the Act. The Series 1986-G Certificates were offered by a Prospectus Supplement dated June 18, 1986, supplemental to a Prospectus dated October 9, 1985. The 1986-G Agreement has not been qualified under the Trust Indenture Act of 1939.

(4) The obligations of Applicant under the Indentures and the 1986-G Guaranty are wholly unsecured, are unsubordinated and rank *pari passu*. Any differences that exist between the provisions of the Indentures and the 1986-G Guaranty are unlikely to cause any conflict of interest among the trusteeships of the Trust Company under

the Indentures and the 1986-G Agreement.

(5) The Applicant has waived notice of hearing, waived hearing, and waived any and all rights to specify procedures under Rule 8(b) of the Commission's Rules of Practice in connection with this matter. For a more detailed statement of the matters of fact and law asserted, all persons are referred to said application, File No. 22-15744, which a public document on file on the office of the Commission's Public Reference Section, 450 Fifth Street NW, Washington, DC.

Notice is Further Given that any interested person may, not later than September 15, 1986, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of law or fact raised by said application which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon.

Any such request should be addressed Secretary, Securities and Exchange Commission, Washington, DC 20549. At any time after said date, the Commission may issue an order granting the application upon such terms and conditions as the Commission may deem necessary or appropriate in the public interest and for the protection of investors, unless a hearing is ordered by the Commission.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Jonathan G. Katz,
Secretary.

[FR Doc. 86-19544 Filed 8-27-86; 8:45 am]
BILLING CODE 8010-01-M

[Release No. IC-15268; (File No. 812-6330)]

Colonial Option Income Trust et al.; Notice of Application

August 21, 1986.

Notice is hereby given the Colonial Option Income Trust ("Option Trust"), on behalf of its two series of shares, Portfolio I and Portfolio II, and Colonial Government Securities Plus Trust ("Government Trust") (collectively, "Applicants") filed an application on April 1, 1986, for a Commission order pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") exempting Portfolios I and II from section 19(b) of the Act and Rule 19b-1 thereunder to the extent necessary to permit quarterly distributions of long-term capital gains from certain options and futures transactions and upon the sale of securities. In addition, Government

Trust seeks an order pursuant to section 6(c) of the Act extending the exemptive relief from section 19(b) of the Act and Rule 19b-1 thereunder granted by Commission order dated April 24, 1985 (Investment Company Act Rel. No. 14495) ("Order") to the extent necessary to enable it to distribute more frequently than annually all capital gains realized from transactions in futures contracts and options on futures contracts and upon the sale of securities. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act and the rules thereunder for the text of relevant provisions.

Applicants state the Portfolio I's primary objective is high current return which it pursues by investing in dividend-paying common stocks with respect to which call options are traded on a national securities exchange, writing covered call and put options on such stocks on such exchanges, and entering into closing purchase transactions with respect to such options. Portfolio I also seeks stability of principal by purchasing common stock options and stock index options, purchasing and selling stock index futures contracts and purchasing options on stock index futures contracts. Applicants further state that Portfolio II's primary objective is high current return which it pursues by investing in common stock, securities convertible into common stock and U.S. Government securities, writing covered call and put options with respect to certain of such securities, and entering into closing purchase transactions on such options. Portfolio II also seeks stability of principal by purchasing options on its portfolio securities or securities it may purchase and stock indexes, purchasing and selling stock index and interest rate futures contracts, purchasing options on stock index futures contracts, and purchasing put options and writing call options on interest rate futures contracts. Additionally, Portfolios I and II propose to hedge by writing options on stock indexes and stock index futures contracts. Applicants represent that Portfolios I and II pay dividends from net investment income and distribute net short-term capital gains quarterly.

Applicants state the Government Trust's primary objective is high current return which it pursues by investing in securities of the U.S. Government, its agencies, authorities or instrumentalities ("Government Securities"), and by purchasing options and writing covered options on Government Securities.

Further, Government Trust hedges by purchasing put options on Government Securities, purchasing and selling interest rate futures contracts, purchasing and writing options on interest rate futures contracts and entering into closing transactions on such options. Government Trust may also purchase and write options on indexes of debt securities, purchase and sell debt index futures contracts and purchase and write options on such contracts.

Applicants state that Government Trust pays dividends from investment income monthly. Distributions of net short-term capital gains are made quarterly. Applicants further state that Government Trust also distributes quarterly the 60% of net capital gains from transactions in options on Government Securities which are treated as long-term capital gains pursuant to the Order.

Applicants state that under the Internal Revenue Code, as amended, options on non-equity securities, registered future contracts and options on regulated future contracts are considered "Section 1256 Contracts." In general, 60% of the realized gain or loss with respect to section 1256 Contracts is treated as long-term capital gain or loss, and 40% is treated as short-term capital gain or loss ("60/40 rule"). Applicants submit that the 60/40 rule was devised to prevent possible tax abuses and not to limit the frequency with which registered investment companies may distribute capital gains from transactions in Section 1256 Contracts.

Section 19(b) of the Act prohibits registered investment companies from distributing long-term capital gains more than once every twelve months. Rule 19b-1 under the Act generally prohibits registered investment companies from making more than one capital gains distribution per taxable year. As more fully described in the application, Applicants seek an exemption from such Section and Rule permitting them to distribute quarterly all long-term capital gains recognized on transactions in options, futures contracts and options on futures contracts, and upon the sale of securities. Applicants represent that long-term capital gains from the sale of portfolio securities (and, with respect to Portfolios I and II, the sale of equity options) has been a *de minimis* component of Applicants' respective capital gains distributions).

Applicants assert that characterization of these gains as long-term gains will not make shareholders more likely to confuse them with dividends paid from net interest income.

since Applicants represent that they will clearly distinguish any distribution of capital gains from distributions out of net interest income in the notice to shareholders accompanying such distributions. Applicants state further that section 19(b) of the Act and Rule 19b-1 thereunder were also intended to prevent investment companies from excessive trading of their portfolios in contravention of a stated investment objective of long-term capital appreciation. Applicants state that the revised treatment of 60% of certain capital gains as long-term is not expected to affect their investment decisions or distribution practices, as Applicants have as their primary investment objective high current return. Additionally, Applicants represent that quarterly distribution of long-term capital gains will not increase its administrative expenses, since Applicants already distribute short-term capital gains quarterly.

Notice is further given that any interested person wishing to request a hearing on the application may, not later than September 15, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of his interest, the reasons for his request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicants at the address stated above. Proof of service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed with the request. After said date, an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-19547 Filed 8-27-86; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 35-24171]

Filings Under the Public Utility Holding Company Act of 1935 ("Act"); Kentucky Power Co. et al.

August 21, 1986.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for

complete statement of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by September 15, 1986 to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the addresses specified below. Proof of service (by affidavit, or in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Kentucky Power Company (70-6198)

Kentucky Power Company ("Kentucky"), 1701 Central Avenue, Ashland, Kentucky 41101, an electric utility subsidiary of American Electric Power Company, 1 Riverside Plaza, Columbus, Ohio 43216-6631, a registered holding company, has filed a post-effective amendment to its declaration pursuant to section 6(a) and 7 of the Act.

By orders dated February 18, 1982 (HCAR No. 22392) and February 18, 1983 (HCAR No. 22855), Kentucky was authorized to issue and to reissue unsecured promissory notes evidencing borrowings in the aggregate principal amount of up to \$150 million at any one time outstanding through December 31, 1987, from a group of ten commercial banks pursuant to a revolving credit agreement ("Revolving Credit Agreement") dated as of January 20, 1982, as amended and restated.

Kentucky now proposes to enter into a further amendment of its Revolving Credit Agreement to issue and to reissue unsecured promissory notes evidencing borrowings in the aggregate principal amount of up to \$75 million under which the banks would extend their commitments to December 31, 1990. All other terms and conditions of borrowing under the Revolving Credit Agreement, including provisions relating to the payment of commitment fees on the unused amount of each bank's commitment thereunder, shall remain unchanged.

Columbia Gas System, Inc. (70-6436)

The Columbia Gas System, Inc. ("Columbia"), 20 Montchanin Road, Wilmington, Delaware 19807, a registered holding company, has filed a post-effective amendment to its declaration previously filed with this Commission pursuant to sections 6(a) and 7 of the Act.

By order dated May 1, 1980 (HCAR No. 21546), the Commission authorized Columbia to borrow up to \$200 million pursuant to a Revolving Credit and Term Loan Agreement with a group of eight commercial banks. By supplemental order dated July 30, 1982 (HCAR No. 22591), the Commission authorized Columbia to increase its amount of borrowing to \$300 million and to incorporate optional certificate of deposit and LIBOR rate structures in addition to prime rate pricing to reduce interest costs over the life of the facility. A \$300 million Credit Agreement dated as of August 1, 1982 ("Credit Agreement") was executed pursuant to the supplemental order.

Columbia now proposes to further amend the Credit Agreement; such amendment ("Amendment") is to be dated as of February 1, 1986. Following the filing of the declaration in this file seeking approval of the Amendment, certain provisions were subject to further negotiation, which renegotiation has recently been completed. The Amendment, in its final form, provides for a three-eighths of one percent increase to the existing borrowing margins for certificate of deposit and LIBOR options and for certain additional protective covenants.

Columbus and Southern Ohio Electric Company (70-7278)

Columbus and Southern Ohio Electric Company ("C&SOE"), 215 North Front Street, Columbus, Ohio 43215, an electric utility subsidiary of American Electric Power Company, Inc., a registered holding company, has filed a declaration pursuant to section 12(d) of the Act and Rule 44 thereunder.

C&SOE proposes first to lease on an interim basis, then to sell for a total cash price of \$769,624 ("Purchase Price"), certain items of electric power distribution equipment ("Facilities") to one of its industrial customers, Anheuser-Busch Inc. ("Busch"), pursuant to the Facilities Purchase Agreement ("Agreement"). As part of the transaction, the Facilities, which constitute a portion of Busch Substation No. 34 in Columbus, Ohio, will be separated from the remaining substation equipment, which will continue to be

owned and used by C&SOE to serve other customers. The Facilities will also be released from the lien of the C&SOE Indenture of Mortgage and Deed of Trust.

Pending the satisfaction of certain conditions precedent to the sale set forth in the Agreement, C&SOE proposes to lease the Facilities to Busch pursuant to terms incorporated in the Agreement ("Lease Agreement"). The Lease Agreement will commence with the first billing cycle following the date of this Commission's order approving the lease and sale of the Facilities and will terminate at the earlier of one year from the date of such order or the closing of the sale. During this period, Busch will pay a monthly rental fee of \$26,500. None of these cash payments will be applied to reduce the Purchase Price or the cost of electric service provided to Busch.

General Public Utilities Corporation et al. (70-7282)

General Public Utilities Corporation ("GPU"), 100 Interpace Parkway, Parsippany, New Jersey 07054, a registered holding company, and its electric utility subsidiaries, Jersey Central Power & Light Company ("JCP&L"), Madison Avenue at Punch Bowl Road, Morristown, New Jersey 07960, Metropolitan Edison Company, ("Met-Ed"), 2800 Pottsville Pike, Muhlenberg Township, Berks County, Pennsylvania 19605 and Pennsylvania Electric Company ("Penelec"), 1001 Broad Street, Johnstown, Pennsylvania 15907 (collectively, "GPU Companies"), have filed a declaration pursuant to sections 6(a) and 7 of the Act.

By orders dated March 27, 1985 (HCAR No. 23644) and September 9, 1985 (HCAR No. 23826), the Commission authorized the GPU Companies to enter into a revolving credit agreement, as amended ("Amended Credit Agreement") with a group of commercial banks. At present, the declarants have no borrowings outstanding under the Amended Credit Agreement.

The GPU Companies now propose to issue, sell and renew to certain banks ("Banks") from time to time through March 31, 1989, their respective unsecured promissory notes ("New Notes"), maturing not more than six months from the date of issue, pursuant to a new revolving credit agreement ("New Credit Agreement"). Borrowings of the GPU Companies would be limited to an aggregate principal amount of \$110 million. GPU would have an individual sublimit of \$20 million for amounts outstanding at any one time. The principal amount of New Notes issued

and sold by JCP&L, Met-Ed and Penelec, and outstanding at any one time, would not exceed such lesser amount, if any, as may be permitted by the charters of those companies.

The GPU Companies further propose from time to time through March 31, 1989 to issue or renew their respective unsecured promissory notes, maturing not more than nine months after issue, to various commercial banks, pursuant to informal lines of credit. The amount of such Notes of a given GPU Company, when added to such company's total principal amount of New Notes then outstanding, would not exceed the amount of short-term indebtedness permitted by such company's charter to be outstanding at any one time.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-19543 Filed 8-27-86; 8:45am]

BILLING CODE 8010-01-M

[Release No. IC-15271; (File No. 812-6458)]

Natalie Clara Pitcairn; Application for an Order Declaring That Applicant is Not an Interested Person

August 21, 1986.

Notice is hereby given, that Natalie Clara Pitcairn ("Applicant") One Pitcairn Place, Jenkintown, Pennsylvania 19046, filed an application on August 14, 1986 for an order of the Commission pursuant to section 6(c) of the Investment Company Act of 1940, as amended (the "Act"), declaring that the Applicant is not an "interested person" as defined in section 2(a)(19) of the Act of an investment company or its investment adviser. All interested persons are referred to the Application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act and the rules thereunder for the text of the applicable provisions.

Applicant states that she plans to serve as one of the Independent General Partners of Pitcairn Group L. P. ("Partnership"), a Delaware limited partnership formed pursuant to a Certificate and Agreement of Limited Partnership ("Partnership Agreement"), which will elect to become a business development company pursuant to section 54 of the Act. Applicant states that the Partnership plans to register the limited partnership interests (which will be beneficially owned by the direct descendants of John Pitcairn and their immediate families) ("Limited Partners")

under the Securities Exchange Act of 1934. Applicant states that the Partnership has been organized as a limited partnership primarily because business development organized as corporations do not currently qualify for "pass-through" tax treatment under the Internal Revenue Code.

Applicant expects that The Pitcairn Company will serve as the initial limited partner (the "Initial Limited Partner") of the Partnership. Applicant states that the Initial Limited Partner is currently in liquidation and, in connection therewith, will contribute approximately \$100 million of its cash and assets to the Partnership on or before September 12, 1986. Applicant states that the cash portion of the capital contribution of the Initial Limited Partner is expected to be invested by the Partnership in venture capital investments and it is anticipated that the Partnership will thereby meet the 70 percent qualifying investments tests of section 55 of the Act. Applicant states that the general partners of the Partnership, including Applicant, will contribute capital to the Partnership in an amount sufficient to cause their aggregate capital contribution to be not less than one percent of the aggregate capital contributions of all partners of the Partnership. Applicant states that she will also be a Limited Partner of the Partnership. Applicant states that the Partnership will terminate not later than December 31, 2011.

Applicant states that Valad Partners, L. P., a Delaware limited partnership, is expected to serve as the managing general partner of the Partnership and as its investment adviser (the "Managing General Partner"). Applicant represents that the Managing General Partner will be responsible for the investments of the Partnership and is also expected to provide managerial, administrative, and supervisory services for the Partnership. Applicant states that the Managing General Partner has filed an application for registration as an investment adviser under the Investment Advisers Act of 1940.

Applicant states that under the Partnership Agreement, there will be at least three but no more than eight individual general partners (the "Individual General Partners") (the Managing General Partner and the Individual General Partners being collectively referred to as the "General Partners"). Applicant states that for so long as the Partnership remains a business development company under the Act, a majority of the Individual General Partners will also be persons who are not "interested persons" of the Partnership as that term is defined in the

Act who have received an order of the Commission exempting them from that definition ("Independent General Partners"). Applicant states that there are currently expected to be three Independent General Partners, one of whom will be Applicant.

Applicant further represents that her father-in-law, Garthowen Pitcairn ("Mr. Pitcairn"), will be an Individual General Partner and a Limited Partner of the Partnership. Applicant states that Mr. Pitcairn will own individually less than one percent of the limited partnership interests in the Partnership, but that he is expected to exercise or share control over more than five percent of such limited partnership interests in a fiduciary capacity as trustee or cotrustee of certain family trusts in which neither Applicant nor her husband have any beneficial interest.

Applicant asserts that the exemptive relief requested is necessary because the Act defines a partner of a partnership (whether general or limited partners), a co-partner of an investment adviser, and a daughter-in-law of an affiliated person of a partnership to be an "interested person" of that partnership. Thus, without the requested relief, Applicant, as a Limited Partner of the Partnership; co-partner of the Managing General Partner; and the daughter-in-law of Mr. Pitcairn, would be an "interested person" of the Partnership and the Partnership would not comply with section 56(a) of the Act which states that a majority of a business development company's directors or general partners be persons who are not "interested persons" of such company.

Applicant states that when any General Partner has a conflict of interest with respect to any matter which the General Partners have under consideration, he or she will recuse himself or herself with respect to that matter. Applicant consents to a condition to the granting of the requested exemption that she recuse herself from consideration by the General Partners of any proposed transaction directly or indirectly concerning her father-in-law, Mr. Pitcairn, governed by sections 57(a) or 57(k). Furthermore, Applicant consents to a condition to the granting of the requested exemption that she recuse herself from consideration by the General Partners of whether and how much of a distribution to make to the Limited Partners. Applicant represents that Mr. Pitcairn has agreed to recuse himself in each of these situations as well.

Applicant states that her requested exemption from the definition of

"interested person" of an investment company, as set forth in section 2(a)(19) of the Act, is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. In support of the exemptive relief requested, Applicant asserts that she maintains a separate household from Mr. Pitcairn, is economically independent of him and of her husband (who is also independent of Mr. Pitcairn), and will receive no direct or indirect benefit, additional compensation, or preferential or other special treatment because of her relationship to Mr. Pitcairn. Finally, Applicant states that she will diligently protect the interests of all Limited Partners not only because she will be acting within well-established fiduciary standards in representing those interests but also because of her personal investment as a Limited Partner of the Partnership.

Notice is further given that any interested person wishing to request a hearing on the Application may, not later than September 11, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of the interest, the reasons for the request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicant at the address stated above. Proof of service (by affidavit or, in the case of any attorney at law, by certificate) shall be filed with the request. After said date an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-19545 Filed 8-27-86; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-23549; File No. SR-OCC-86-18]

Self-Regulatory Organizations; Options Clearing Corporation; Filing and Immediate Effectiveness of Proposed Rule Change

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), 15 U.S.C. 78(b)(1), notice is hereby given that on August 12, 1986, the Options Clearing Corporation ("OCC") filed with the Securities and Exchange

Commission ("Commission") the proposed rule change described below. The proposal contains several technical amendments to OCC's By-Laws and Rules. The Commission is publishing notice to solicit comment on the rule change.

The proposed rule change would replace the term "Foreign Clearing Member" with "Non-U.S. Clearing Member" each time it appears in OCC's By-Laws and Rules. In addition, references to "Foreign Securities Firm" and "Foreign Regulatory Agency" would be substituted with "Non-U.S. Securities Firm" and "Non-U.S. Regulatory Agency," respectively. OCC also would appropriately modify certain ancillary documents such as the "Foreign Clearing Member's Agreement" and the "Application for Membership." In the year since foreign broker-dealers have been able to become OCC direct Clearing Members,¹ OCC has received several requests that OCC adopt neutral labels for these non-U.S. entities. OCC's proposal is intended to address those comments.

This rule change has become effective, pursuant to section 19(b)(3)(A) of the Act and Rule 19b-4. The Commission may summarily abrogate the rule change at any time within 60 days of its filing if it appears to the Commission that abrogation is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

You may submit written comments within 21 days after notice is published in the *Federal Register*. Please file six copies with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the filing, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC. Copies of the filing will also be available for inspection and copying at the principal office of OCC. All submissions should refer to File No. SR-

¹ See File No. SR-OCC-85-2 which was approved by the Commission on June 6, 1985, in Securities Exchange Act Release No. 22123 (June 6, 1985), 50 FR 24853 (June 13, 1986).

OCC-86-18 and should be submitted by September 18, 1986.

Dated: August 22, 1986.

For the Commission, by the Division of Market Regulation pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-19542 Filed 8-27-86; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice 980]

Organization Statement

Pursuant to subsection (a)(1) of the Freedom of Information Act (5 U.S.C. 552), the following is a current statement of the organization of the Department of State. It should be noted that all requests under this statute for Department of State records may be submitted to the Information and Privacy Coordinator (Foreign Affairs Information Management Center, Room 1239, Department of State, Washington, DC 20520), rather than directly to the specific elements of the Department described below. The Information and Privacy Coordinator will coordinate action as specified in the request. More detailed procedures regarding access to Department of State records are provided in the Department's rules (22 CFR Part 171).

The Department of State advises the President in the formulation and execution of foreign policy. As Chief Executive, the President has overall responsibility for the foreign policy of the United States. The Department of State's primary objective in the conduct of foreign relations is to promote the long-range security and well-being of the United States. The Department determines and analyzes the facts relating to American overseas interests, makes recommendations on policy and future action, and takes the necessary steps to carry out established policy. In so doing, the Department engages in continuous consultations with the American public, the Congress, other U.S. departments and agencies, and foreign governments; negotiates treaties and agreements with foreign nations; speaks for the United States in the United Nations and in more than 50 major international organizations in which the United States participates; and represents the United States at more than 800 international conferences annually.

Central Organization

The Secretary of State

The Secretary of State, the principal foreign policy adviser to the President, is responsible for the overall direction, coordination, and supervision of U.S. foreign relations and for the interdepartmental activities of the U.S. Government overseas. The Secretary is the first-ranking member of the Cabinet, a member of the National Security Council, and is in charge of the operations of the Department, including the Foreign Service.

Deputy Secretary of State

The Deputy Secretary of State is the Secretary's principal deputy and serves as Acting Secretary in the Secretary's absence.

The Under Secretary for Political Affairs

The Under Secretary for Political Affairs assists the Secretary and Deputy Secretary in the formulation and conduct of foreign policy and in the overall direction of the Department, including coordination of relations with other departments and agencies and interdepartmental activities of the U.S. Government overseas.

The Under Secretary for Economic and Agricultural Affairs

The Under Secretary for Economic and Agricultural Affairs is the principal adviser to the Secretary and Deputy Secretary in the formulation and conduct of foreign economic policy. Specific areas for which the Under Secretary is responsible include international monetary affairs, trade, energy, relations with developing countries, agricultural, and international aviation issues.

The Under Secretary for Security Assistance, Science and Technology

The Under Secretary for Security Assistance, Science and Technology is responsible for assuring the integration of all elements of the Foreign Assistance Program as an effective instrument of U.S. foreign policy and serves as Chairman of the Arms Transfer Management Group (ATMG). The Under Secretary is also responsible for international scientific and technological issues; communications and information policy; and technology transfers.

The Chief of Protocol

The Office of the Chief of Protocol is the principal adviser for the U.S. Government, the President, Vice President, and Secretary of State, on

matters of diplomatic procedures governed by law or international customs and practice. The Office is responsible for: visits of foreign chiefs of state, heads of government and other high officials to the United States; operation of the President's Guest House, Blair House; delegations representing the President at official ceremonies abroad; conduct of official ceremonial functions and public events; accreditation of approximately 46,000 foreign embassy, consular and international organization personnel throughout the United States; determining entitlement to diplomatic or consular immunity; publication of diplomatic, mission employee and consular lists; resolution of problems arising out of diplomatic or consular immunity such as legal and police matters; and in conjunction with the Office of Foreign Missions, approving opening of consular offices.

The Under Secretary for Management

The Under Secretary for Management is the principal management official of the Department. The Under Secretary serves as the principal adviser to the Secretary and Deputy Secretary on management matters, including control and direction of all budgetary, administrative, and personnel policies of the Department and the Foreign Service. The Under Secretary also coordinates the activities of the Bureau of Personnel, Bureau of Administration, Bureau of Diplomatic Security, Office of Management Operations, the Office of the Comptroller, the Office of Medical Services, the Office of Equal Employment Opportunity and Civil Rights, the Family Liaison Office, the Curator of the Diplomatic Reception Rooms, the Office for Combating Terrorism, the Office of Small and Disadvantaged Business Utilization, and the Office of Foreign Missions. The Under Secretary for Management's principal concern is the reconciliation of resources, both fiscal and personnel, with policy requirements. The Under Secretary chairs the Priorities Policy Group.

Regional Bureaus

Five Assistant Secretaries direct the activities of the geographic bureaus, which are responsible for our foreign affairs activities in the major regions of the world. These are the Bureaus of African Affairs, European and Canadian Affairs, East Asian and Pacific Affairs, Inter-American Affairs, and Near Eastern and South Asian Affairs. The Assistant Secretaries for these Bureaus are responsible for advising the

Secretary in the formulation of U.S. policies toward the countries within their regional jurisdiction and for guiding the operation of the U.S. diplomatic establishments in the countries in their geographic area. They also direct, coordinate, and supervise interdepartmental and interagency matters involving these regions. They are assisted in these duties by Deputy Assistant Secretaries and by Directors within their Bureau. The Office Directors and their staffs have specific responsibility for working-level management of U.S. relations with respect to their assigned countries. As the Washington focal point for the development of policy recommendations, for coordination with other departments and agencies, and for transmission to Ambassadors in the field, these Office Directors are charged with assuring that all elements—both in Washington and within our missions abroad—jointly pursue U.S. foreign policy directives.

The regional Assistant Secretaries also serve as Chairmen of Interdepartmental Groups in the National Security Council system. These groups discuss and decide issues which can be settled at the Assistant Secretary level, including those arising out of the implementation of National Security Council decisions. They prepare policy papers for consideration by the Council and contingency papers on potential crisis areas for NSC review.

Bureau of Intelligence and Research

The Bureau of Intelligence and Research coordinates programs of intelligence, research, and analysis for the Department and for other Federal agencies, and produces intelligence studies and current intelligence analyses essential to foreign policy determination and execution. In addition, the Bureau, through its Office of Long Range Assessment and Research, maintains liaison with cultural and educational institutions and with other Federal agencies on a wide range of matters relating to Government contractual and private foreign affairs research.

The Bureau of Politico-Military Affairs

The Bureau of Politico-Military Affairs originates and develops policy guidance and provides general direction within the Department on issues which affect U.S. security policies, military assistance, nuclear policy, and arms controls matters. In addition, the Bureau maintains liaison with the Department of Defense and other Federal agencies on a wide range of political/military affairs.

Legal Adviser

The Legal Adviser is the principal adviser to the Secretary and through the Secretary to the President on all matters of international law arising in the conduct of United States Foreign relations. The Legal Adviser also provides general legal advice and services to the Secretary and other officials of the Department on matters with which the Department and overseas posts are concerned.

International Organization Affairs

The Bureau of International Organization Affairs coordinates and develops policy guidance and support for United States participation in the activities of the United Nations, the Specialized Agencies, the International Atomic Energy Agency, and other international organizations.

Oceans and International Environmental and Scientific Affairs

The Bureau of Oceans and International Environmental and Scientific Affairs has principal responsibility for the Department's formulation and implementation of U.S. Government policies and proposals for the scientific and technological aspects of our relations with other countries and international organizations. It also has the management responsibility for a broad range of foreign policy issues and significant global problems related to oceans, fisheries, environment, population, nuclear technology, new energy technology, space and other fields of advanced technology, and for cooperative effort dealing with the application and transfer of technology. The Bureau advises the Secretary where scientific and technological factors or the Bureau's functional responsibilities are concerned; represents the Department in international negotiations in its area of responsibility; provides policy guidance to the U.S. oceanic, environmental, scientific, and technological communities on activities and programs affecting foreign policy issues; assures effective coordination of policy responsibilities between State and AID in the field of science and technology; and directs the Overseas Science and Technology Counselor/Attaché program.

The Bureau develops and directs the carrying out of policy recommendations relative to U.S. participation in international science and technology programs; in bilateral cooperative programs related to its areas of interests; and in the activities of the International Fisheries Commissions of which the United States is a member.

Economic and Business Affairs

The Bureau of Economic and Business Affairs has overall responsibility for formulating and implementing policy regarding foreign economic matters, including resource and food policy, international energy issues, trade policy, international finance and development, aviation and maritime affairs.

Human Rights and Humanitarian Affairs

The Bureau of Human Rights and Humanitarian Affairs has responsibility for the formulation and development and, in cooperation with other bureaus, the implementation of U.S. policy relating to the observance of human rights throughout the world. The Bureau maintains liaison with nongovernmental organizations active in the human rights field and is principally responsible for the preparation of the annual Department report on human rights practices in countries that are members of the United Nations or receive U.S. economic or military assistance. In addition, the Bureau provides the Department's advice to the Immigration and Naturalization Service regarding applications for political asylum for foreign nationals.

Public Affairs

The Bureau of Public Affairs works for a wider and more effective exchange of information and views on U.S. foreign relations between the Department and the American people. Under the guidance of the Assistant Secretary of State for Public Affairs, who also serves as the Spokesman of the Department, the Bureau advises other elements of the Department on public opinion, and arranges continuing contacts between Department officials and the public through conferences, briefings, speaking, and media engagements in the Department and across the country. It directs the development and execution of the Department's news policy, plans, and programs and serves as the principal office advising the Secretary, other officials of the Department, and other Government agencies on all aspects of the Department's responsibilities in the conduct of press relations. The Bureau also produces and distributes publications, films, videotapes and other information and educational materials on U.S. foreign policy and the work of the Department and the Foreign Service; publishes the diplomatic history of the United States, collections of current documents, and occasional special historical studies; and maintains a public information

service to handle miscellaneous public inquiries.

Consular Affairs

The Bureau of Consular Affairs, under the direction of the Assistant Secretary, Bureau of Consular Affairs, is responsible for the administration and enforcement of the provisions of the immigration and nationality laws, insofar as they concern the Department and the Foreign Service, for the issuance of passports and visas and related services, and for the protection and welfare of American citizens and interests abroad.

Refugee Programs

The Bureau for Refugee Programs is responsible for the operation of U.S. refugee programs, carried out in cooperation with other governments, private and international organizations, and other U.S. Government agencies, including the Agency for International Development (AID), the Immigration and Naturalization Service (INS) of the Department of Justice, and the Office of Refugee Relief (HHS/ORR) of the Department of Health and Human Services. These programs include relief, repatriation and resettlement of refugees; and the selection, processing, and training of refugees to be admitted into the United States, in consultation with the Congress and State and local governments. They are carried out through grants to private voluntary agencies and international organizations, including the Intergovernmental Committee for Migration (ICM), the United Nations High Commissioner for Refugees (UNHCR), and the United Nations Relief and Works Agency for Palestine Refugees (UNRWA).

Organization of Foreign Service Posts

Afghanistan
Embassy: Kabul
Algeria
Embassy: Algiers
Consulate: Oran
Antigua and Barbuda
Embassy: Saint Johns
Argentina
Embassy: Buenos Aires
Australia
Embassy: Canberra
Consulates General:
Melbourne
Sydney
Consulates:
Brisbane
Perth
Consular Agency: Adelaide
Austria
Embassy: Vienna
Missions:

Vienna, U.S. Mission to the
International Atomic Energy
Agency
Vienna, U.S. Mission to the Vienna
Office of the United Nations
Consulate General: Salzburg
Bahamas
Embassy: Nassau
Consular Agency: Grand Turk
Bahrain
Embassy: Manama
Bangladesh
Embassy: Dhaka
Barbados
Embassy: Bridgetown
Belgium
Embassy: Brussels
Missions:
Brussels, U.S. Mission to the
European Communities
Brussels, U.S. Mission to the North
Atlantic Treaty Organization
Consulate General: Antwerp
Belize
Embassy: Belize City
Benin
Embassy: Cotonou
Bermuda
Consulate General: Hamilton
Bolivia
Embassy: La Paz
Consular Agencies:
Cochabamba Santa Cruz
Botswana
Embassy: Gaborone
Brazil
Embassy: Brasilia
Consulates General:
Rio De Janeiro Sao Paulo
Consulates:
Porto Alegre
Recife
Salvador
Salvador da Bahia
Consular Agencies:
Belem
Manaus
Sao Luis
Brunei
Embassy: Bandar Seri Begawan
Bulgaria
Embassy: Sofia
Burkina FASO
Embassy: Ouagadougou
Burma
Embassy: Rangoon
Burundi
Embassy: Bujumbura
Cameroon
Embassy: Yaounde
Consulate General: Douala
Canada
Embassy: Ottawa
Mission:
Montreal, U.S. Mission to the
International Civil Aviation
Organization
Consulates General:
Calgary

Halifax
Montreal
Quebec
Toronto
Vancouver
Winnipeg
Cape Verde
Embassy: Praia
Central African Republic
Embassy: Bangui
Chad
Embassy: N'Djamena
Chile
Embassy: Santiago
China
Embassy: Beijing
Consulates General:
Chengdu
Guangzhou
Shanghai
Shenyang
Colombia
Embassy: Bogota
Consulate: Barranquilla
Comoros
Embassy: Moroni
Congo
Embassy: Brazzaville
Costa Rica
Embassy: San Jose
Cyprus
Embassy: Nicosia
Czechoslovakia
Embassy: Prague
Denmark
Embassy: Copenhagen
Djibouti, Republic of
Embassy: Djibouti
Dominican Republic
Embassy: Santo Domingo
Consular Agency: Puerto Plata
Ecuador
Embassy: Quito
Consulate General: Guayaquil
Egypt
Embassy: Cairo
Consulate General: Alexandria
Consular Agency: Port Said
El Salvador
Embassy: San Salvador
Equatorial Guinea
Embassy: Malabo
Ethiopia
Embassy: Addis Ababa
Fiji
Embassy: Suva
Finland
Embassy: Helsinki
France
Embassy: Paris
Mission:
Paris, U.S. Mission to the
Organization for Economic
Cooperation and Development
Consulates General:
Bordeaux
Lyon
Marseille

- Nice
Strasbourg
- Gabon
Embassy: Libreville
- Gambia, The
Embassy: Banjul
- Germany, Federal Republic of
Embassy: Bonn
Mission: Berlin (M)
Consulates General:
Berlin
Dusseldorf
Frankfurt am Main
Hamburg
Munich
Stuttgart
- German Democratic Republic
Embassy: Berlin
- Ghana
Embassy: Accra
- Greece
Embassy: Athens
Consulate General: Thessaloniki
- Guatemala
Embassy: Guatemala
- Guinea
Embassy: Conakry
- Guinea-Bissau
Embassy: Bissau
- Guyana
Embassy: Georgetown
- Haiti
Embassy: Port-au-Prince
- Holy See
Embassy: Vatican City
- Honduras
Embassy: Tegucigalpa
- Hong Kong
Consulate General: Victoria, Hong Kong
- Hungary
Embassy: Budapest
- Iceland
Embassy: Reykjavik
- India
Embassy: New Delhi
Consulates General:
Bombay
Calcutta
Madras
- Indonesia
Embassy: Jakarta
Consulates:
Medan
Surabaya
Consular Agency: Bali
- Iraq
Embassy: Baghdad
- Ireland
Embassy: Dublin
- Israel
Embassy: Tel Aviv
Consular Agency: Haifa
- Italy
Embassy: Rome
Consulates General:
Genoa
Milan
Naples
- Palermo
Consulates:
Florence
Trieste
Turin
- Ivory Coast
Embassy: Abidjan
- Jamaica
Embassy: Kingston
Consular Agency: Montego Bay
- Japan
Embassy: Tokyo
Consulates General:
Naha
Osaka-Kobe
Consulates:
Fukuoka
Sapporo
- Jerusalem
Consulate General: Jerusalem
- Jordan
Embassy: Amman
- Kenya
Embassy: Nairobi
Consulate: Mombasa
- Korea
Embassy: Seoul
Consulate: Pusan
- Kuwait
Embassy: Kuwait
- Laos
Embassy: Vientiane
- Lebanon
Embassy: Beirut
- Lesotho
Embassy: Maseru
- Liberia
Embassy: Monrovia
- Luxembourg
Embassy: Luxembourg
- Madagascar
Embassy: Antananarivo
- Malawi
Embassy: Lilongwe
- Malaysia
Embassy: Kuala Lumpur
- Mali
Embassy: Bamako
- Malta
Embassy: Valletta
- Martinique
Consulate: Fort-de-France
- Mauritania
Embassy: Nouakchott
- Mauritius
Embassy: Port Louis
- Mexico
Embassy: Mexico, D.F.
Consulates General:
Ciudad Juarez
Guadalajara
Monterrey
Tijuana
Consulates:
Hermosillo
Matamoros
Mazatlan
Merida
Nuevo Laredo
- Consular Agencies:
Acapulco
Cancun
Durango
Mulege
Oaxaca
Puerto Vallarta
San Luis Potosi
Tampico
Veracruz
- Morocco
Embassy: Rabat
Consulates General:
Casablanca
Tangier
- Mozambique
Embassy: Maputo
- Nepal
Embassy: Kathmandu
- Netherlands
Embassy: The Hague
Consulate General: Amsterdam
- Netherlands Antilles
Consulate General: Curacao
- New Zealand
Embassy: Wellington
Consulate General: Auckland
Consular Agencies:
Christchurch
Apia, Western Samoa
- Nicaragua
Embassy: Managua
- Niger
Embassy: Niamey
- Nigeria
Embassy: Lagos
Consulate General: Kaduna
- Norway
Embassy: Oslo
- Oman
Embassy: Muscat
- Pakistan
Embassy: Islamabad
Consulates General:
Karachi
Lahore
Consulates:
Peshawar
- Panama
Embassy: Panama
Consular Agency: Colon
- Papua New Guinea
Embassy: Port Moresby
- Paraguay
Embassy: Asuncion
- Peru
Embassy: Lima
Consular Agencies:
Cuzco
Piura
- Philippines
Embassy: Manila
Consulate: Cebu
- Poland
Embassy: Warsaw
Consulates:
Krakow
Poznan

Portugal
Embassy: Lisbon
Consulates:
Oporto
Ponta Delgada, Azores
Consular Agency:
Funchal, Madeira Islands

Qatar
Embassy: Doha
Rwanda
Embassy: Kigali
Saudi Arabia
Embassy: Riyadh
Consulates General:
Dhahran
Jeddah

Senegal
Embassy: Dakar
Seychelles
Embassy: Victoria

Sierra Leone
Embassy: Freetown
Singapore
Embassy: Singapore

Somalia
Embassy: Mogadishu
South Africa
Embassy: Pretoria
Consulates General:
Cape Town
Durban
Johannesburg

Soviet Union
Embassy: Moscow
Consulate General: Leningrad
Spain
Embassy: Madrid
Consulates General:
Barcelona
Seville
Consulate: Bilbao
Consular Agencies:
La Coruna
Valencia
Palma de Mallorca
Malaga

Sri Lanka
Embassy: Colombo
Sudan
Embassy: Khartoum
Surinam
Embassy: Paramaribo
Swaziland
Embassy: Mbabane

Sweden
Embassy: Stockholm
Consulate General: Goteborg
Switzerland
Embassy: Bern
Missions:
Geneva, U.S. Mission to the
European Office of the United
Nations and Other International
Organizations.
Consulate General: Zurich

Syria
Embassy: Damascus
Tanzania
Embassy: Dar es Salaam

Consulate: Zanzibar
Thailand
Embassy: Bangkok
Consulates:
Chiang Mai
Songkhla
Udorn

Togo
Embassy: Lome
Trinidad and Tobago
Embassy: Port-of-Spain
Tunisia
Embassy: Tunis
Turkey
Embassy: Ankara
Consulates General:
Istanbul
Izmir
Consulate: Adana
Uganda
Embassy: Kampala
United Arab Emirates
Embassy: Abu Dhabi
Consulate General: Dubai
Great Britain and Northern Ireland
Embassy: London, England
Consulates General:
Belfast, Northern Ireland
Edinburgh, Scotland

Uruguay
Embassy: Montevideo
Venezuela
Embassy: Caracas
Consulate: Maracaibo
Yemen Arab Republic
Embassy: Sanaa
Yugoslavia
Embassy: Belgrade
Consulate General: Zagreb
Zaire
Embassy: Kinshasa
Consulate General: Lumbumbashi
Zambia
Embassy: Lusaka
Zimbabwe
Embassy: Harare

Organization of Domestic Field Offices

U.S. Mission to the United Nations

U.S. Mission to the United Nations,
799 United Nations Plaza, New York,
N.Y. 10017.

The U.S. Mission to the United
Nations represents the United States at
the permanent headquarters of the
United Nations in New York City, N.Y.
The Mission carries out the instructions
of the President as transmitted by the
Department of State in conducting U.S.
participation in the United Nations. The
Mission furnishes a base of operations
for the delegations representing the U.S.
at meetings of the United Nations and
serves as the main channel between the
Department of State and the various
United Nations organizations, agencies,
and commissions at the headquarters, as
well as missions and delegations of
other member nations.

Passport Agencies

The following offices accept
applications and issue passports for U.S.
citizens, except certain passports of U.S.
civilian and military personnel which
are forwarded to the Passport Office in
Washington, DC. In addition,
applications are also accepted and
executed by any Federal or State Clerk
of Court authorized by law to naturalize
aliens, in accordance with section 310(a)
of the Immigration and Nationality Act
of 1952. Clerks of Courts forward
executed applications to the field office
servicing their territory for issuance.

Boston Passport Agency: John F.
Kennedy Building, Government Center,
Room E123, Boston, Massachusetts
02203.

Chicago Passport Agency: Federal
Office Building, 230 S. Dearborn Street,
Room 380, Chicago, Illinois 60604.

Honolulu Passport Agency: New
Federal Building, 300 Ala Moana
Boulevard, Room C106, Honolulu,
Hawaii 96850.

Los Angeles Passport Agency: 1100
Wilshire Boulevard, Room 13100, Los
Angeles, California 90024.

Miami Passport Agency: 51 Southwest
First Avenue, Room 1616, Miami, Florida
33130.

New Orleans Passport Agency:
Federal Services Building T, 701 Loyola
Avenue, New Orleans, Louisiana 70133.

New York Passport Agency:
Rockefeller Center, 630 Fifth Avenue,
Room 270, New York, New York 10111.

New York Passport Agency: Northeast
Passport Processing Center, 201 Varick
Street, Room 1108, New York 10014.

Philadelphia Passport Agency:
Federal Building, 600 Arch Street, Room
4426, Philadelphia, Pennsylvania 19106.

San Francisco Passport Agency: 525
Market Street, Room 200, San Francisco,
California 94105.

Seattle Passport Agency: Federal
Office Building, 915 Second Avenue,
Room 906, Seattle, Washington 98174.

Stamford Passport Agency: One
Landmark Square, Broad and Atlantic
Streets, Stamford, Connecticut 06901.

Washington Passport Office: 1425 K
Street, Room 262, Washington, DC
20524.

*Field Offices of the Bureau of
Diplomatic Security*

The Special Agents in Charge of the
following security offices represent and
assist the Department in carrying out
their investigative responsibilities. They
maintain appropriate liaison with their
counterparts in various Federal law
enforcement, investigative, and security
agencies, as well as State, county, and

local investigative agencies, within their area of assignment.

Albany Field Office: Clinton Avenue and Pearl, Albany, New York.

Richmond Field Office: 400 N. Eighth Street, Richmond, Virginia.

Miami Field Office: Federal Building, 51 S.W. First Avenue, Room 1627, Miami, Florida 33130.

San Francisco Field Office: Federal Building, 450 Golden Gate Avenue, Room 13347, San Francisco, California 94102.

New Haven Field Office: 150 Court Street, New Haven, Connecticut.

New York Field Office: 26 Federal Plaza, Suite 3409, New York, New York 10278.

Philadelphia Field Office: Mall Building, 325 Chestnut Street, Room 512, Philadelphia, Pennsylvania 19106.

Greensboro Field Office: 324 West Market Street, Greensboro, North Carolina.

Detroit Field Office: 477 Michigan Avenue, Detroit, Michigan.

Chicago Field Office: Dirksen Federal Building, 219 S. Dearborn Street, Suite 1378, Chicago, Illinois 60604.

Cincinnati Field Office: 550 Main Street, Cincinnati, Ohio.

Cleveland Field Office: 1240 East Ninth Street, Cleveland, Ohio.

Kansas City Field Office: 911 Walnut Street, Kansas City, Missouri.

St. Louis Field Office: 210 North Tusher Street, St. Louis, Missouri.

New Orleans Field Office: Federal Services Building T, 701 Loyola Avenue, New Orleans, Louisiana 70133.

Los Angeles Field Office: Federal Building, 300 North Los Angeles Street, Room 8120, Los Angeles, California 90012.

Honolulu Field Office: 300 Ala Moana Boulevard, New Federal Building, Honolulu, Hawaii 96850.

Seattle Field Office: Federal Office Building, 915 Second Avenue, Seattle, Washington 98174.

Houston Field Office: 515 Rusk Avenue, Houston, Texas.

Dallas Field Office: Federal Building, Room 7C-44, 1100 Commerce Street, Dallas, Texas 75242.

Boston Field Office: John F. Kennedy Building, Government Center, Room 405C, Boston, Massachusetts 02203.

Despatch Agents

The U.S. Despatch Agents, under supervision of the Department of State, provide assistance to Foreign Service personnel in the shipment of their effects, travel and transportation, etc. within their area of assignment.

Baltimore Despatch Agent: 403 US Customs House, Baltimore, Maryland 21202.

Miami Despatch Agent: Building 100, International Trade, 5600 N.W. 36th Street, Miami, Florida.

New York Despatch Agent: 90 Church Street, Room 1317, New York, New York 10007.

New York Despatch Agent: John F. Kennedy International Airport, New York, New York.

San Francisco Despatch Agent: US Customs House, 555 Battery Street, San Francisco, California 94111.

Dated: August 19, 1986.

Donald J. Bouchard,

Assistant Secretary for Administration.

[FR Doc. 86-19480 Filed 8-27-86; 8:45 am]

BILLING CODE 4710-24-M

[CM-8/991]

American Private Sector Overseas Security Advisory Council; Closed Meeting

The Department of State announces a meeting of the State Department—American Private Sector Overseas Security Advisory Council on Thursday, September 18, 1986, at 9 A.M. in Room 1105, U.S. Department of State. Pursuant to Section 10 (d) of the Federal Advisory Committee Act and 5 U.S.C. 552(b)(3) (1) and (4), it has been determined that the meeting will be closed to the public. Matters classified pursuant to Executive Order—12356 or items of a privileged commercial nature will be discussed. The agenda calls for the approval of draft crisis management plans, exchange of information programs, public information programs and methods of implementing Council action programs.

Dated: August 22, 1986.

Lou Schwartz,

Deputy Assistant Secretary, Diplomatic Security Service.

[FR Doc. 86-19460 Filed 8-27-86; 8:45am]

BILLING CODE 4710-10-M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

[Docket No. 44276; Notice 86-9]

Regional Airline Industry Study; Marketing Alliance Impact

AGENCY: Department of Transportation, Office of the Secretary.

ACTION: Notice of Completion of Study/Request for comments.

SUMMARY: The Department of Transportation is soliciting comments on a recently completed study entitled, "A Study of the Regional Airline Industry—The Impact of Marketing Alliances".

The initiation of the study was announced in a final rulemaking action titled "Statements of General Policy: Shared Airline Designator Codes" published in the *Federal Register* on September 23, 1985 (50 FR 38508). This notice informs persons that the study has been completed and that comments may be submitted on the study.

Comment Period: Interested persons should submit comments on or before November 30, 1986.

ADDRESS: Comments (original plus nine copies) may be filed with the Docket Section, Docket No. 44276, Documentary Services Division, U.S. Department of Transportation, 400 Seventh Street, SW, Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT:

Laurence T. Phillips, Chief, Industry Economics and Finance Division, Office of Economics, at (202) 366-5412, U.S. Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590.

Background

On September 23, 1985, the Department of Transportation issued a final rule titled "Statements of General Policy: Shared Airline Designator Codes." The Department also announced that it would conduct a study of the competitive ramifications of code sharing upon the regional carrier industry and make available for public comment the results of the study.

The completed study entitled "A Study of the Regional Airline Industry—The Impact of Marketing Alliances" analyzes code sharing activity between the regional and large jet airlines in the context of airlines' efforts to restructure their route networks, documents the growth and current extent of code sharing between regional and jet air carriers, and examines its potential effects on competition within the regional airline industry.

The study concludes that, based on available evidence, there is no clear indication that regional carriers sharing the designator codes of larger airlines enjoy a competitive advantage over regional carriers that continue to operate independently. With respect to the impact on consumers, the study concludes that although code sharing is understandable competitive strategy, the benefits it offers to travelers beyond those already provided by other common elements of joint marketing programs are difficult to assess and essentially impossible to quantify.

The Department will consider comments filed, and interested persons are invited to comment on the results of

the study. Comments should be filed with the Docket Section at the address listed above on or before November 30, 1986.

Dated: August 22, 1986.

Vance Fort,

Deputy Assistant Secretary for Policy and International Affairs.

[FR Doc. 86-19457 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-62-M

Order Inviting Applications and Order to Show Cause, U.S.-London Authority

AGENCY: Department of Transportation.

ACTION: Order Inviting Applications and Comments and Order to Show Cause (Order 86-8-68)—Dockets 44174, 44199, 44200, 44246, and 44275.

SUMMARY: The Department has received certificate applications for new United States-London authority from three carriers. They are American Airlines, Inc. (for Raleigh/Durham—Docket 44174), Delta Air Lines, Inc. (for Cincinnati—Docket 44246), and Piedmont Aviation, Inc. (for Charlotte—Docket 44199). There is one new gateway selection under the United States—United Kingdom Air Services Agreement (Bermuda 2). In Docket 44200 Piedmont Aviation and the City of Charlotte filed a joint petition requesting that Charlotte be selected as a new U.S. gateway to London. There has been no U.S. carrier service in the Tampa—London market since Arrow Air, Inc. suspended services in October 1984. The Department is calling for: (1) Interested carriers to file applications for U.S.-London authority from new U.S. gateways or from Tampa, and (2) interested parties to show cause why Arrow Air, Inc.'s certificate for the Tampa-London route should not be deleted and revoked.

DATES: Applications, Comments and Objections should be filed by September 11, 1986. Answers shall be due 10 days thereafter.

ADDRESSES: Comments and Pleadings should be filed in Dockets 44174, 44199, 44200, 44246, and 44275, addressed to the Documentary Services Division, U.S. Department of Transportation, 400 Seventh Street, SW., Room 4107, Washington, DC 20590, and should be served on all parties in the above-referenced Dockets.

Dated: August 22, 1986.

Matthew V. Scocozza,

Assistant Secretary for Policy and International Affairs.

[FR Doc. 86-19458 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-62-M

Coast Guard

[D12 86-11]

Certificates of Alternative Compliance

AGENCY: Coast Guard.

ACTION: Notice of Issuance.

In accordance with 33 U.S.C. 1605(c) and 33 CFR 81.18(a) the following Certificates of Alternative Compliance to the International Navigational Rules have been issued by the Chief of the Marine Safety Division, Twelfth Coast Guard District:

Vessel and Official or Hull Number

- (1) POTOMAC—Hull No. 278
- (2) EXXON HOUSTON—297151
- (3) EXXON NEW ORLEANS—298216
- (4) EXXON PHILADELPHIA—526792
- (5) GEM STATE—501712
- (6) TYEE—516611
- (7) GERONIMO—511431
- (8) ARTHUR S—500912
- (9) HOWARD H—506824
- (10) MERCURY—505327
- (11) SAN DIEGO—267775
- (12) AVENGER—277633
- (13) NEPTUNE—272118
- (14) SENECA—526717
- (15) SIOUX—527409
- (16) APACHE—513045
- (17) BLACK HAWK—515015
- (18) SEMINOLE—514243
- (19) SATURN—518570
- (20) SPARTAN—518285
- (21) APOLLO—508070
- (22) HERCULES—509555
- (23) JUPITER—508639
- (24) SEA GIANT—273536
- (25) SEA WITCH—273537
- (26) SEA BREEZE—569926
- (27) SEA CLOUD—555656
- (28) SEA HORSE—567812
- (29) SEA KING—554888
- (30) SEA PRINCE—555271
- (31) SEA RANGER—569926
- (32) SEA ROBIN—553042
- (33) SEA VIKING—568790
- (34) DARLING—298992
- (35) SEA LION—500707
- (36) SEA WOLF—500149
- (37) SAMSON—505922
- (38) SEA MONARCH—504497
- (39) SEA RACER—504166
- (40) VIGILANT—506463
- (41) GUARDIAN—525855
- (42) SEA SWIFT—516192
- (43) MARS—526607
- (44) PATHFINDER—524616
- (45) SEA FLYER—516870
- (46) ADVENTURER—577697
- (47) BULWARK—577084
- (48) CAVALIER—570693
- (49) CENTURION—574171
- (50) COMMANDER—571180
- (51) CRUSADER—560235
- (52) DEFENDER—576314
- (53) ENSIGN—581177
- (54) EXPLORER—563687
- (55) GAUNTLET—575769
- (56) GLADIATOR—566429
- (57) GUARDSMAN—572647
- (58) HUNTER—578655

- (59) INVADER—559404
- (60) MARINER—582112
- (61) MONITOR—567988
- (62) NAVIGATOR—562688
- (63) PATRIARCH—578312
- (64) PILOT—580328
- (65) PIONEER—566933
- (66) RANGER—571909
- (67) SENTINEL—573426
- (68) SENTRY—579188
- (69) STALWART—575052
- (70) WARRIOR—565291

Copies of these Certificates of Alternative Compliance are available for inspection at Twelfth Coast Guard District, Marine Safety Division, Building 54B, Coast Guard Island, Alameda, CA 94501-1500 between the office hours of 7 a.m. and 3 p.m., Monday thru Friday, except holidays.

Dated: August 25, 1986.

J. W. Kime,

U.S. Coast Guard Chief, Office of Marine Safety, Security and Environmental Protection.

[FR Doc. 86-19523 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-14-M

[CGD 86-050]

Towing Safety Advisory Committee; Meeting

AGENCY: Coast Guard, DOT.

ACTION: Notice of meeting.

SUMMARY: Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. App. I), notice is hereby given of a meeting of the Towing Safety Advisory Committee (TSAC). The meeting will be held on 25 September 1986 in Room 2415, U.S. Coast Guard Headquarters, 2100 Second Street, SW., Washington, DC. The meeting is scheduled to begin at 9:00 a.m. and end at 4:00 p.m. The agenda is expected to be as follows:

1. Swearing in of new members and approval of minutes from February 1986 TSAC meeting.

2. TSAC discussion and/or deliberation concerning the following items:

- (a) Air quality: vapor control/recovery.
- (b) Tankers carrying bulk liquid cargoes.
- (c) OSHA's proposed benzene standards.
- (d) New ABS rules for towing vessels.
- (e) Licensing of pilots.
- (f) Operating a commercial vessel while intoxicated.
- (g) Certification seamen: comment of ILO Convention 147.
- (h) Licensing of maritime personnel.
- (i) Tankerman requirements.

- (j) IMO status report.
- (k) Drydocking and tailshaft inspection intervals.
- (l) Inspection intervals for pressure vessel cargo tanks.
- (m) Portable fire extinguishers.
- (n) Waste reception facilities.
- (o) Liquefied natural gas waterfront facilities.
- (p) Pollution prevention: implementation of amendments to MARPOL 73/78.
- (q) Side lights on tugs.
- (r) Any other matter properly brought before the committee.

Attendance is open to the public. With advance notice, members of the public may present oral statements at the meeting. Persons wishing to present oral statements should notify the Executive Director of TSAC no later than the day before the meeting.

FOR FURTHER INFORMATION CONTACT: B.P. Novak, Executive Director (Acting), Towing Safety Advisory Committee, U.S. Coast Guard (G-CMC/21), Washington, DC 20593, (202) 267-1477.

Dated: August 25, 1986.

N.F. Tencza,

Acting Executive Director, Towing Safety Advisory Committee.

[FR Doc. 86-19525 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-14-M

[CGD 86-051]

Towing Safety Advisory Committee; Meeting of Subcommittees

AGENCY: Coast Guard, DOT.

ACTION: Notice of meetings.

SUMMARY: Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463; 5 U.S.C. App. I), notice is hereby given of a meeting of all Subcommittees of the Towing Safety Advisory Committee (TSAC). The subcommittee meetings will be held on 24 September 1986 in Room 4436-38 of the Department of Transportation Headquarters (NASSIF) Building, 400 7th Street, SW., Washington, DC. The meeting will begin at 1:30 p.m. and end at 4:00 p.m. The agenda for the meeting consists of the following items:

1. Call to Order.
2. Discussion of the following topics:
 - (a) Port Facilities and operations.
 - (b) Tankbarge—construction, certification, operations.
 - (c) Personnel manning and licensing.
 - (d) Personnel safety and workplace standards.
 - (e) Existing regulations review and restructure.
 - (f) IMO/MARPOL initiatives.
 - (g) Working groups:

- (1) Air quality/vapor control.
- (2) Intervals for drydocking and tailshaft examination on inspected vessels.

3. Presentation of any new items for consideration of the Subcommittees.
4. Adjournment.

Attendance is open to the interested public. Members of the public may present oral or written statements at the meeting. Additional information may be obtained from B.P. Novak, Executive Director (Acting), Towing Safety Advisory Committee, U.S. Coast Guard (G-CMC/21), Washington, DC 20593 or by calling (202) 267-1477.

Dated: August 25, 1986.

N.F. Tencza,

Acting Executive Director, Towing Safety Advisory Committee.

[FR Doc. 86-19524 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-14-M

Federal Highway Administration

Environmental Impact Statement: Alexander and Iredell Counties, NC

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Alexander and Iredell Counties, North Carolina.

FOR FURTHER INFORMATION CONTACT: J.M. Tate, District Engineer, Federal Highway Administration, 310 New Bern Avenue, P.O. Box 26806, Raleigh, North Carolina 27611, Telephone (919) 856-4270.

SUPPLEMENTARY INFORMATION: The FHWA in cooperation with the North Carolina Department of Transportation (NCDOT) will prepare an environmental impact statement (EIS) on a proposed NC 90 improvement from I-40 in Iredell County to Taylorsville in Alexander County. Planning, environmental and location studies are being initiated.

Alternatives under consideration include: (1) The "no-build," (2) improving the existing NC 90 roadway, and (3) major relocation alternatives for construction of a new facility.

Letters describing the proposed action and soliciting comments are being sent to appropriate Federal, State and local agencies. A public meeting and a meeting with local officials will be held in the study area. A public hearing will also be held. Information on the time and place of the public hearing will be provided in the local news media.

The draft EIS will be available for public and agency review and comment at the time of the hearing. No formal scoping meeting is planned at this time.

To ensure that the full range of issues related to the proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties. Comments and questions concerning the proposed action should be directed to the FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program)

Issued on: August 21, 1986.

J.M. Tate,

District Engineer, FHWA, Raleigh, North Carolina.

[FR Doc. 86-19452 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-22-M

Environmental Impact Statement; Charlotte, NC

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Charlotte, North Carolina.

FOR FURTHER INFORMATION CONTACT: J.M. Tate, District Engineer, Federal Highway Administration, 310 New Bern Avenue, P.O. Box 26806, Raleigh, North Carolina 27611, Telephone (919) 856-4270.

SUPPLEMENTARY INFORMATION: The FHWA in cooperation with the North Carolina Department of Transportation (NCDOT) will prepare an environmental impact statement (EIS) on a proposed Charlotte East Outer Loop in Charlotte. The proposed action would be the construction of a multilane divided, controlled highway on new location from the existing I-85/US 29 Connector northeast of Charlotte to US 74 (Independence Boulevard) at a point coincident with the eastern terminus of the planned I-77/US 74 Connector. This proposed facility, in combination with the I-77/US 74 Connector, will provide a continuous outer belt facility east of Charlotte from I-85 to I-77. The completed outer belt facilities will provide for circumferential travel and will relieve traffic along the existing inner loop (Eastway Drive and

Woodlawn Road). The proposed action is a part of the 1983 Charlotte-Mecklenburg Thoroughfare Plan.

Alternatives under consideration include: (1) The "no-build," (2) improving existing facilities, and (3) a controlled access highway on new location.

Letters describing the proposed action and soliciting comments are being sent to appropriate Federal, State and local agencies. A public meeting and meetings with local officials and neighborhood groups will be held in the study area. A public hearing will also be held. Information on the time and place of the public hearing will be provided in the local news media. The draft EIS will be available for public and agency review and comment at the time of the hearing. No formal scoping meeting is planned at this time.

To ensure that the full range of issues related to the proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties. Comments and questions concerning the proposed action should be directed to the FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program)

Issued on: August 21, 1986.

J.M. Tate,
District Engineer.

[FR Doc. 86-19453 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-22-M

Environmental Impact Statement: Johnson County, TX

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Johnson County, Texas.

FOR FURTHER INFORMATION CONTACT:

W.L. Hall, Jr., P.E., District Engineer, Federal Highway Administration, Federal Office Building, Room 826, 300 East Eighth Street, Austin, Texas 78708, Telephone: (512) 482-5988.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Texas State Department of Highways and Public Transportation (DHT), intends to prepare an environmental impact

statement (EIS) on a proposal to upgrade a portion of US Highway 67 in Johnson County, Texas, to a four-lane divided facility, on a new location with control of access. Because of the difficulty in predicting availability of funds, the DHT has not yet decided whether to use State or Federal funds to finance construction of this project.

The highway section under study passes through the Cities of Cleburne (Inc.) (1980 pop. 19,208) and Keene (Inc.) (1980 pop. 3,013). The corridor study begins at US 67 approximately 4 miles West of SH 174 in Cleburne and ends at US 67 near FM 2280 in Keene, and will provide a bypass to the north of the congested downtown area of Cleburne. The existing facility is now basically a two-lane roadway, with a four-lane roadway existing through the major portion of Cleburne. Expansion to four lanes for US 67 to the east is anticipated within the next ten years.

US 67 and SH 174 are major arterial routes connecting the Cleburne area to Dallas and Fort Worth respectively. Traffic volumes have increased considerably, and the existing facility through Cleburne is inadequate to handle current traffic needs (20,000 vehicles per day near SH 1740 as evidenced by the present severe congestion in the downtown area, which includes an abnormal proportion of large trucks).

The proposed US 67 bypass will safely and efficiently provide for the transportation needs of the area. Segregation of through traffic from intra-city traffic will alleviate congestion in the city and better serve local traffic, with the result that access to housing, businesses, employment, schools, and churches will be improved.

The proposed improvement will benefit thru traffic by eliminating the usual delays and interruptions associated with city travel. Existing development along SH 174, in the middle of the project on the north side of Cleburne, limits available interchange sites, leaving only one feasible location at SH 174. Three alternatives will be considered for each half of this proposed action, including two possible bypass routes in each quadrant and a no-build alternative.

There are currently no plans to hold a formal scoping meeting for this proposal. Several conferences with local officials plus public meetings by both the City and State, were held in the earlier stages of planning for the proposed action. A public hearing is planned to be held late in 1986 or early 1987 within the project area. Adequate notice will be given

through the news media concerning the time and location of the hearing.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties. Comments and questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program)

Issued on: August 20, 1986.

W.L. Hall, Jr.,

District Engineer, Austin, Texas.

[FR Doc. 86-19454 Filed 8-27-86; 8:45 am]

BILLING CODE 2910-22-M

Environmental Impact Statement: Worcester/Millbury, MA

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Worcester and Millbury, Massachusetts.

FOR FURTHER INFORMATION CONTACT:

Arthur R. Churchill, District Engineer, FHWA, Transportation Systems Center, 10th Floor, 55 Broadway, Cambridge, Massachusetts 02142; Frank Bracaglia, Assistant Director, Systems Planning and Development, Massachusetts Department of Public Works, 10 Park Plaza, Room 4261, Boston, Massachusetts 02116.

SUPPLEMENTARY INFORMATION: The proposed project involves widening Route 146 from two lanes to four lanes from I-290 at Brosnihan Square in Worcester south to the existing four-lane section of Route 146 south of the Worcester/Millbury Town Line, a length of approximately three miles. The proposed project includes improvements to the existing Route 146/Route 20 interchange and a proposed new interchange from Route 146 to the Turnpike. The purpose of the proposed project is to: (1) Improve capacity and safety along Route 146 (2) improve the geometric design of the Route 146/Route 20 interchange (3) provide more direct access between Worcester, the

Blackstone Valley and the Massachusetts Turnpike and (4) stimulate economic development in Worcester and the Blackstone Valley. The possible alternatives include:

- I. No-Build Alternative
- II. Improvements to Route 146/Route 20 Interchange
- III. Route 146 Widening and Route 146/Route 20 Interchange Improvements
- IV. Route 146 Widening, Route 146/Massachusetts Turnpike Interchange.

A scoping meeting is scheduled to be held on August 26, 1986 at 10:00 A.M. at the Massachusetts Department of Public Works District 3 Office, 403 Belmont Street, Worcester, Massachusetts 01604.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Research, Planning and Construction. The provision of OMB Circular A-95 regarding State and local clearinghouse review of Federal and federally assisted programs and projects apply to this program)

Issued on: August 20, 1986.

Arthur R. Churchill,

District Engineer, Cambridge, Massachusetts.

[FR Doc. 86-19455 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-22-M

Federal Railroad Administration

[FRA Waiver Petition Docket Number HS-86-14]

Petition for Exemption From the Hours of Service Act; Keokuk Junction Railway

In accordance with 49 CFR 211.9 and 211.41, notice is hereby given that the Keokuk Junction Railway (KJRY) has petitioned the Federal Railroad Administration (FRA) for a permanent waiver of compliance with the provisions of the Hours of Service Act (83 Stat. 464, Pub. L. 91-169, 45 U.S.C. 64a(e)).

The Hours of Service Act currently makes it unlawful for a railroad to require specified employees to remain on duty for a period in excess of 12 hours. However, the Hours of Service Act contains a provision that permits a railroad which employs no more than 15 employees who are subject to the statute to seek an exemption from the 12 hour limitation.

The KJRY seeks this exemption so that it can permit certain employees to remain on duty not more than 16 hours in any 24 hour period. The petitioner indicates that granting the exemption is in the public interest and will not adversely affect safety.

Additionally, the petitioner asserts that it employs not more than 15 employees and has demonstrated good cause for granting this exemption.

Interested persons are invited to participate in these proceedings by submitting written views and comments. FRA has not scheduled an opportunity for oral comment since the facts do not appear to warrant it. Communications concerning the proceedings should identify this docket number and must be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Nassif Building, 400 Seventh Street, SW., Washington, DC 20590.

Communications received before October 14, 1986, will be considered by FRA before final action is taken. Comments received after that will be considered as far as practicable. All comments received will be available for examination both before and after the closing date for comments, during regular business hours (9 a.m.-5 p.m.) in Room 8201, Nassif Building, 400 Seventh Street, Washington, DC 20590.

Issued in Washington, DC, on August 20, 1986.

J.W. Walsh,

Associate Administrator for Safety.

[FR Doc. 86-19401 Filed 8-27-86; 8:45 am]

BILLING CODE 4910-06-M

Register Federal Register

Thursday
August 28, 1986

Part II

Small Business Administration

13 CFR Part 107

Accounting Standards and Financial
Reporting Requirements for Small
Business Investment Companies; Final
Rule

SMALL BUSINESS ADMINISTRATION**13 CFR Part 107****Accounting Standards and Financial Reporting Requirements for Small Business Investment Companies**

AGENCY: Small Business Administration.
ACTION: Final rule.

SUMMARY: By this publication, SBA replaces Appendices A, B and C of Part 107 of its regulations (13 CFR Part 107) with Appendices I and II which deal with accounting standards and mandatory financial reporting requirements for licensed Small Business Investment Companies (SBIC's). This final rule addresses the accounting requirements of Limited Partnership Small Business Investment Companies, an area on which the current appendices are silent, and consolidates the accounting requirements of all SBIC's. The objectives of the final rule are:

1. To reduce the number of forms required in the annual financial report, SBA Form 468; and
2. To provide the necessary special forms required for financial reporting of limited partnership SBIC's.

Part (II)(B) of Appendix I differs completely from the proposed rule. As finally adopted, Part (II)(B) retains SBA's former rule concerning those eligible to submit opinions on financial statements (formerly Part (V)(A) of Appendix A of Part 107). Under the final rule, SBA will continue to accept opinions on financial statements only from Certified Public Accountants and from other accountants licensed on or before December 31, 1971.

DATES: Effective August 28, 1986.

Written comments in duplicate will be accepted on the retention of the current rule until October 27, 1986.

ADDRESS: Written comments should be directed to Mr. Thomas C. Bresnan, Staff Accountant, Small Business Administration, Office of Finance and Investment, 1441 L Street, NW, Washington, DC 20416.

FOR FURTHER INFORMATION CONTACT: Mr. Thomas C. Bresnan, Telephone: (202) 653-6389.

Public Response to the Notice of Proposed Rulemaking

On July 19, 1985, SBA gave notice to the public of its intent to revise Appendices A, B and C of 13 CFR 107 which deal with accounting standards and financial reporting requirements for licensed Small Business Investment Companies (50 FR 29532). In order to ensure that the affected members of the

public were notified of the Proposed Rulemaking, reprints of the *Federal Register* publication, along with draft copies of the proposed SBA Form 468—SBIC Financial Statement, were mailed to all SBIC's.

In response to the notice SBA received five written comments, four of which addressed a variety of substantive issues. The comments received from the American Institute of Certified Public Accountants addressed an issue of concern to member CPAs throughout the country. The comments received from the National Association of Small Business Investment Companies and the American Association of Minority Enterprise Small Business Investment Companies addressed issues of concern to all member investment companies.

After careful consideration of the comments received in response to a proposal that would have allowed SBA to accept opinions on financial statements from any person licensed to practice accountancy, SBA has decided to withdraw that section of the proposed rule and retain the existing rule, which is hereby adopted in final form. SBA will continue to accept opinions on financial statements only from Certified Public Accountants or persons licensed to practice accountancy on or before December 31, 1971.

SBA's position is consistent with the Government-wide policy expressed by the General Accounting Office in "Standards for Audits of Governmental Organizations, Programs, Activities, and Functions" (1981 revision).

Continued adherence to the present rule would not affect any existing accountant/client relationship between an SBIC and a licensed accountant, nor would it debar a licensed accountant presently deemed qualified to express an opinion on the financial statements of an SBIC from doing so on behalf of any SBIC clients he or she may acquire hereafter. On the other hand, SBA considers that the interests of the Government would be best served by adhering to the government-wide policy which implements the published views of the General Accounting Office.

Comments are invited, as indicated above, within sixty days from the date of this publication.

The comments received and the actions taken by SBA in response to this rule are as follows:

1. *Comment:* Accountant's opinion may conform to the new form of reporting set forth in Chapter 10 of the January 15, 1985 AICPA exposure draft entitled "Proposed Audit and Accounting Guide—Audits of Investment Companies."

Action: The examples of auditor's reports referred to cover various situations. The illustration in the SBA regulations has drawn from a number of opinions and has been tailored to fit the SBIC industry specifically. Although it is hoped that accountants will be fully familiar with the publication "Audits of Investment Companies," the sample opinion in the regulation is more appropriate.

2. *Comment:* Section L of Appendix II appears to be contradictory.

Action: This comment refers to the treatment of non-monetary transactions where the proposed rule stated that Accounting Principles Board Opinion No. 29 should be followed. The following paragraph then stated that non-monetary exchanges where securities are transferred for other securities will not be considered as transactions where gain or loss is recognized: a conflict with APB 29. This section is rewritten to conform with APB 29 in the treatment of non-monetary transactions.

3. *Comment:* Schedule 7 should not be referred to in the "Accountants Opinion" as supplemental data subject to standard audit procedures.

Action: This comment recommends deleting the "Schedule of Shareholders, Officers and Directors" (Corporations), and the "Schedule of General Partners, Limited Partners and Advisory Directors" (Partnerships) from reference in the "Accountants Opinion" as inappropriate. SBA agrees and has changed the wording of the sample opinion.

4. *Comment:* The proposed rule requests excessive detailed information on potential fees on unrealized appreciation.

Action: SBA agrees with this comment and has changed the requirement to show only the amount of any potential fees.

5. *Comment:* SBA should delete the requirement that the licensee furnish copies of adjusting entries.

Action: As adjusting entries are all available to the examiner, SBA has deleted this requirement.

6. *Comment:* SBA should delete the requirement that the licensee furnish copies of all Special Management Reports.

Action: SBA concedes that submission of all special reports may be excessive, and that defining those which may be of interest to financial analysts is extremely difficult. SBA agrees to delete the requirement for submission but will continue to require that all such reports be maintained in the files pursuant to the record retention requirements of

section 1002 of Part 107, and be available to the examiner as needed.

7. Comment: Tax returns should not be considered Special Reports and should not be routinely furnished to SBA.

Action: SBA agrees and will not require that tax returns be routinely filed.

8. Comment: SBA should state that SBIC's may utilize computer prepared financial statements so long as they provide, in the proper format, all the information required in the Form 468.

Action: SBA has carefully considered the possibility of accepting computer generated financial statements which contain all the information required in the Form 468. In order to avoid the problems of diverse submissions, incomplete statements, and the like, SBA has determined that licensees wishing to prepare statements by computer will be evaluated on a case by case basis. The licensee must submit examples of the forms to SBA for prior approval. Such forms must conform to the SBA Form 468 in every material aspect; such as line by line, schedule by schedule, paper size of 8½ inches by 11 inches, etc. Upon approval, the licensee may then utilize the computer generated forms with no further changes.

9. Comment: SBA should delete the Schedule of Delinquencies.

Action: The unanimous conclusion of financial analysts and examiners is that the Schedule of Delinquencies is a valuable and useful document. SBA has determined that it should be maintained.

10. Comment: Sixty days is too short a time to be considered delinquent. This period should be extended to one hundred and twenty days.

Action: Throughout SBA lending programs, anything over sixty days past due is considered delinquent. Over 60 days is the norm. Both examiners and financial analysts feel this norm is reasonable.

11. Comment: The Schedule of Participation should be limited to only participations and joint financing which were added, deleted, or otherwise changed during the current year of reporting.

Action: SBA agrees with this comment and has so indicated in the instructions for the preparation of the schedule.

12. Comment: Additional space is needed on certain schedules due to the requirement that the Form 468 be typed.

Action: SBA recognizes that the need for additional space arises on occasion. The guides will specify that where there is a need, the additional data should be entered on a plain 8½ by 11 sheet attached to the appropriate schedule.

13. Comment: The Comptroller General's "Standards for Audits of Governmental Organizations, Programs, Activities and Functions" (the Yellow Book) should be followed in the case of SBIC's, and therefore, only CPA's or Public Accountants licensed before December 31, 1971 should be permitted to conduct the required audits.

Action: The question as submitted is whether or not the "Yellow Book" applies to private industry interfacing with a government program. SBA General Counsel has issued an opinion stating that these provisions do not bind private industry. During the review, extensive discussion highlighted the fact that the standards established by the "Yellow Book" are wellfounded and deserving of careful consideration. As the SBIC industry is licensed and regulated by the SBA, and the preparation of financial statements is governed by regulation, it behooves the SBA to consider incorporating the ideas contained in the "Yellow Book" into its regulations. The consensus of personnel in the Offices of Investment, Inspector General, and General Counsel is that such incorporation is desirable. It is determined, therefore, that the comment has merit, and accordingly, will be reinstituted in the regulations.

Finally, cases have arisen wherein examiners have been unable to perform an examination as scheduled due to the fact that records have been kept in a foreign language. The new Appendices I and II will specify that all books and supporting records must be maintained in English.

Compliance with Executive Order 12291, the Regulatory Flexibility Act and the Paperwork Reduction Act

This rule will likely have a significant economic impact on a substantial number of small entities as it will affect the entire SBIC industry. Therefore, for purposes of the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., the following analysis is offered:

There are no Federal rules which duplicate, overlap or conflict with this rule.

The legal basis for this rule is in section 308(b) of the Small Business Investment Act, 15 U.S.C. 687(b). The objectives of this rule have been indicated above.

There are no significant alternatives capable of accomplishing the objectives and/or minimizing any significant economic impact on the SBIC's.

The rule is a *nonmajor final* rule for purposes of E.O. 12291, for the following reasons:

1. It will *not* result in an annual economic effect of \$100 million or more;

2. It will *not* result in a major increase in costs for consumers, individual industries, Federal, State, or local government agencies, or geographic regions;

3. It will *not* have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of U.S.-based businesses to compete with foreign-based businesses in the domestic or export markets.

The potential net benefits are not quantifiable in monetary terms due to the wide range in size and levels of activity. All SBIC's would have net benefits from each of the following changes; the fewer number of forms required, the smaller size of the forms, and the reduced burden of preparation. In addition to the above benefits, the limited partnerships would benefit by reason of having forms that are designed for partnerships, and not having to manipulate corporate forms for reporting purposes. The elimination of information not required for the financial analysis and the rearrangement of the information being submitted will permit SBA analysts to do a more efficient job of reviewing the annual report, which it is hoped will result in fewer letters to the licensee from SBA requesting additional information.

There are no alternatives that could achieve the same objectives at a lower cost, or even at a higher cost.

The amendment to 13 CFR 107 contains reporting and/or recordkeeping requirements and is therefore subject to the review and clearance provisions of the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. The revised statements (SBA Form 468—OMB #3245-0063), have been cleared by the Office of Management and Budget pursuant to the Paperwork Reduction Act of 1980.

List of Subjects in 13 CFR Part 107

Investment companies, loan programs/business, small business.

Dated: June 12, 1986.

Charles L. Heatherly,
Acting Administrator.

1. The authority cite for Part 107 continues to read as follows:

Authority: Sec. 380(c), 72 Stat. 694, as amended (15 U.S.C. 687(c)); sec. 312, 78 Stat. 147 (15 U.S.C. 687d); Sec. 315, 80 Stat. 1364 (15 U.S.C. 687g).

2. 13 CFR Part 107 is amended by removing Appendices A, B and C and adding Appendices I and II to read as follows:

Appendix I—Audit Guide for SBICs and Preparation of the Annual Report

A Note of Caution to All SBICs Legal Counsel, Accountants and Tax Advisors

The appendices refer to Securities and Exchange Commission Rules and Regulations, American Institute of Certified Public Accountants' publications, and the Internal Revenue Code in various places. The references are current at this time but can be changed at some future time. It is the responsibility of the licensee and its advisors to be knowledgeable of any change and its effect on the SBIC.

Distributions to stockholders or partners are permitted only to the extent that undistributed net realized earnings exist. Under certain circumstances this could create a hardship on stockholders in Subchapter S licensees or partners in Limited Partnership Licensees.

The Financial Statements (SBA Form 468) must be typed. All books, records, and other supporting documents must be maintained in the English language.

Permission to file the Annual Report Form 468 on computer generated forms. SBA will consider each application to file the Annual Report Form 468 on a computer generated form, when accompanied by sample forms, on a case by case basis subject to the following conditions:

1. The computer generated forms must be identical to the SBA forms in all respects, including but not limited to:
 - a. size of paper,
 - b. print style, and
 - c. line by line contents of each page.
2. Prior approval must be obtained from SBA prior to the use of the computer generated forms.
3. Submission of computer generated forms without prior approval by SBA or change after approval will be rejected and will not be considered a "timely" filing.

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I. Introduction

A. Purpose of the Guide

The Small Business Administration (SBA) Audit Guide has been written primarily to (1) inform the licensee and (2) assist the auditors of Small Business Investment Companies (SBICs) in performing their financial examination by focusing on matters that are unique to the SBIC program and the venture capital industry. It should be noted that this Guide is not intended to be a substitute for the accountant's judgment as to the work required to meet generally accepted auditing standards.

The report (SBA Form 468) and related schedules have been designed to provide standard reporting in such form that will insure that uniform and comparable data will be received by SBA from all licensees. The licensee is responsible for the preparation of the report. The independent public accountant is required to audit the licensee's financial statements and express an opinion. Further discussion of specific policies will be found in Appendix II.

B. Definitions

- (1) "Licensee" means any corporation or limited partnership that has been licensed by the SBA as a Small Business Investment Company.
- (2) "Directors" means any director of a corporation or any person performing similar functions with respect to any licensee whether incorporated or unincorporated.
- (3) "Executive Officer" means the president, vice president, secretary or treasurer of the licensee or any other person who performs similar policy making functions for the licensee whether incorporated or unincorporated.
- (4) "Advisory Board" means a board, whether elected or appointed, which is distinct from the board of directors or board of trustees, of the licensee, and which is composed solely of persons who do not serve such licensee in any other capacity, whether or not the functions of such board are such as

to render its members "directors" within the definition of that term, which board has advisory functions as to investments but has no power to determine that any security or other investment shall be purchased or sold by such licensee.

(5) See § 107.3 for other "definition of terms."

II. Selection and Qualification of the Auditor

A. Selection of the Auditor

The responsibility for selecting the independent public accountant is vested in the licensee's Board of Directors/General Partner(s). Any accountant qualifying as an independent public accountant, as explained in Paragraph C may be considered as having SBA approval to perform the annual audit (financial examination) upon selection by the Board of Directors/General Partner(s), and the filing with SBA by such accountant of an executed IPA Certification, CO Form 112 (XX-XX) certifying as to his qualification and independence, unless advised otherwise by SBA.

It is strongly recommended that the Board of Directors/General Partner(s) give thorough consideration each year to the matter of selecting the public accountant to perform that year's audit. The Board/General Partner(s) under this policy selects an accountant with whom it agrees as to the scope of the engagement and basis of compensation. Notification of the Board's selection will be furnished to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street, NW., Washington, DC 20416. Notification to SBA is not necessary when the same accountant or accountants are retained for successive years.

B. Qualification of Accountants

Any public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, who is independent and who is duly authorized to practice as a public accountant, and is in good standing under the laws of the State or other comparable authority in which so authorized, may be considered qualified to render an opinion as an independent public accountant on behalf of a licensee whose office is located in such State or Authority. Effective December 31, 1975, only a Certified Public Accountant may be considered qualified to render an opinion as an independent public accountant on behalf of a licensee except that those licensed public accountants who have received their licenses on or before December 31, 1971, will also be considered similarly qualified.

C. Independence

Accountants approved by SBA as auditors of a licensee are to follow the code of professional ethics adopted by the American Institute of Certified Public Accountants (AICPA). In determining whether an accountant may in fact be not independent with respect to a particular licensee, SBA will give appropriate consideration to all relevant circumstances, including evidence bearing on relationships between the accountant and such licensee or any affiliate thereof.

Accordingly, an accountant or a firm of which he is a partner or shareholder shall not express an opinion on financial statements of a licensee unless he and his firm are independent with respect to such licensee. Independence will be considered to be impaired if, for example:

1. During the period of his professional engagement, or at the time of expressing his opinion he or his firm,

a. Had or was committed to acquire any direct or indirect financial interest in the licensee; or

b. Had any joint closely held business investment with the licensee or any officer, director or principal stockholder, or partner, general or limited, thereof which was material in relation to his or his firm's net worth; or

c. Had any loan to or from the licensee or any officer, director or principal stockholder thereof.

2. During the period covered by the financial statements, during the period of the professional engagement or at the time of expressing an opinion, he or his firm,

a. Was connected with the licensee as a promoter, underwriter or voting trustee, a director or officer or in any capacity equivalent to that of a member of management or of an employee; or

b. Was a trustee of any trust or executor or administrator of any estate if such trust or estate had a direct or material indirect financial interest in the licensee; or was a trustee for any pension or profit-sharing trust of the licensee.

c. The independent accountant should familiarize himself with Section 600 "Matters Relating to Independent Accountants" of the "Codification of Financial Reporting Policies" of the Securities and Exchange Commission (SEC) which the SBA follows in most matters relating to the independence of accountants.

IPA Certification

Staff Accountant, Investment Division, Small Business Administration, 1441 L Street, NW., Washington, DC 20416

Gentlemen:

I (we) have been selected by the Board of Directors of

(Name of Licensed Small Business Investment Company)

License Number

(Address of Licensee's Principal Office)

to conduct an annual examination of the licensee's financial statements as of _____, 19____. In accordance with provisions of Paragraph II. B of Appendix I, (Check One):

☐ Independent* Certified Public Accountant (or firm of CPAs).

* Independent within the meaning of this term as used by the Small Business Administration. SBA will not recognize any public accountant as independent who is not in fact independent. For example, an accountant will be considered not independent with respect to any small business investment company with which he has, or had during the period covered by the audit (financial

☐ Independent* Licensed Public Accountant (or firm of Licensed PAs).

I certify that this accountant (or firm of public accountants) is authorized to practice in, and is in good standing under the laws of, the state or other jurisdiction in which the principal office of the Licensee is located, and accordingly, qualifies to perform the annual audit of the above named Licensee.

(Date) _____
(Signature of Individual Practitioner or Principal, if applicable) _____

(Date) _____
(Signature of Partner of Accounting Firm, if applicable) _____

(Type name under which individual practitioner or accounting firm is doing business) _____

(Business Address) _____
(Zip Code) _____

Accountants Opinion

To the Board of Directors and Shareholders of

or
To the General Partners and Limited Partners of

(Insert SBIC Name),
A Small Business Investment Company
licensed by the SBA.

We have examined the statement of (Consolidated or combined, if applicable) financial condition of (Insert SBIC Name) including the portfolio of investments as of (insert date for close of fiscal period), and the related statement of operations for the year then ended, the statement of changes in financial position, and the supplementary schedules and information required by SBA Form 468. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Securities owned at (insert date), except securities purchased but not received, were confirmed to us by the custodian (or "counted" if such was the audit procedure). As to securities purchased but not received, we requested confirmation from the (brokers/sellers as applicable), and where replies were not received, we carried out other appropriate auditing procedures.

The company presents its financial statements in conformity with accounting practices prescribed by the Small Business Administration, which provide for specific allocations of certain types of income to specific capital accounts. As discussed more fully in note (identify the note or notes) to the financial statements, securities amounting to \$_____ (_____% of the net assets) have been valued at fair value as determined by the (board of directors/general partners, as applicable). We have reviewed the procedures applied by the (directors/partners) in valuing such securities and have inspected the underlying documentation; while in the circumstances the procedures

(examination), any direct financial interest or any material indirect financial interest; or with which he is, or was during such period, connected as a promoter, underwriter, voting trustee, investment adviser, director, officer, or employee.

appear to be reasonable and the documentation appropriate, determination involves subjective judgment which is not susceptible to substantiation by auditing procedures.

Our examination was made primarily for the purpose of formulating an opinion on the basic financial statements taken as a whole. The supplemental data contained in Schedules 1 through 6 is presented to conform with the requirements of preparing the Company's annual report to the Small Business Administration and, although not considered necessary for a fair presentation of the basic financial statements, such information has been subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, Schedules 1 through 6 are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In our opinion, subject to the possible effect on the financial statements of the valuation of securities determined by the (board of directors/general partners) as described in the preceding paragraph, the aforementioned financial statements present fairly the net assets of (Insert SBIC Name) at (insert date), and the results of its operations, change in financial position, and supplementary information for the year then ended, in conformity with generally accepted accounting principles, applied in a manner consistent with that of the preceding year.

We consent to the use of this opinion in connection with the filing of the report of (Insert SBIC Name) with the Small Business Administration on SBA Form 468.

(Signed) Independent Auditor
(Insert City and State)
(Insert Date)

Note.—The accountant will comment on any other exceptions in Paragraph 2 prior to the comments on valuation.

III. Scope of Audit

The independent public accountant's audit is to be an examination of the licensee's financial statements in accordance with generally accepted auditing standards as expressed by the American Institute of Certified Public Accountants. The auditor is to make an examination of the licensee's financial statements with the view of expressing an opinion as to whether the financial statements present fairly the financial position, changes in financial position, and results of operations in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Management is responsible for the preparation of the Annual Report, SBA Form 468. The statements and supporting schedules will be the basis for the auditor's opinion. It is expected that all audit adjustments will be recorded in the licensee's records before completion of the audit report so that financial statements accompanying the report will agree with the books as adjusted as of the statement date, giving consideration to reclassifications of account balances for report purposes. If the adjustments are not so recorded on the licensee's books, a statement

should be made by the independent accountant to this effect.

The independent public accountant is expected to satisfy himself as to the reasonableness of the basis used by the licensee's Board of Directors/General Partner(s) in determining the valuation of loans and investments. Accordingly, the auditor should comment in his report as to reasonableness of procedures used and adequacy of documentation.

IV. Accounting Policies and Practices

A. General

As a general rule, accounting policies followed by licensees are those expressed by the American Institute of CPA's as generally accepted accounting principles and practices. Certain of these principles and practices are prescribed in the AICPA's Audit Guide. The System of Accounts Classification (Appendix II) in item II identifies particular accounting policies and practices licensees are required to follow.

B. Reporting Entity

The auditor should bear in mind that the reporting entity being audited is the licensee. Those securities and assets that are held for investment are to be reported on the fair value basis.

A corporate licensee may hold an investment in a 301(d) licensee and/or have a wholly owned management consulting subsidiary. A limited partnership licensee may hold an investment in a 301(d) licensee and/or own 100 percent of outstanding stock of a management consulting company. Such securities would not be considered held for investment but are considered held for long-term operating purposes.

1. *Equity Method of Accounting for Investments in Common Stock or Limited Partnership Interests.*—"Equity" method of accounting for investments in common stock or Limited Partnership Interests is not to be confused with the "fair value" method of reporting portfolio securities. Under the equity method, an investor initially records such an investment at cost, and adjusts the carrying amount of the investment to recognize the investor's share of the earnings or losses of the investee after the date of acquisition. The amount of the adjustment is included in the determination of net income by the investor. Dividends or distributions received from an investee reduce the carrying amount of the investment. Accounting Principles Board Opinion No. 18 issued in March 1971, by the AICPA specifically does not apply to licensees whether or not registered under the Investment Company Act of 1940, as explained in Paragraph 2 of that Opinion.

The AICPA Audit Guide states that investments in other than portfolio securities which meet the criteria of APB Opinion No. 18 should be carried on the equity basis. As applied to licensees, this would only apply to investments in section 301(d) licensees, investments in unincorporated entities and/or management consulting investments. In those cases where a 301(d) licensee is a subsidiary of another licensee, such subsidiary should be reported as an unconsolidated subsidiary by the corporate parent licensee.

2. *Policy on Consolidated Financial Statements.*—Consolidated Financial Statements are to be filed with SBA only where the corporate licensee has a management consulting subsidiary. Combined Financial Statements are to be filed with SBA only where the limited partnership licensee has an investment in a management company. Under SBA Regulations, management consulting companies are to be a wholly owned and are to be consolidated or combined with the licensee.

Under certain circumstances, a licensee may temporarily own more than a 50 percent equity position in a financed concern. Such investments are to be reported on the fair value basis and classified as loans and investments rather than being reported on a consolidated basis with the licensee.

V. Reporting Requirements—General

A. Annual Financial Report

The Small Business Administration, under authority granted by the Small Business Investment Act of 1958, as amended, (1958 Act) requires licensees to have their financial statements examined annually by independent public accountants approved by SBA. The annual audit shall be performed as of the close of the licensee's fiscal year.

Three copies of the accountant's report including the Financial Report prepared on forms constituting SBA Form 468 and supporting schedules, shall be submitted to SBA by the licensee as soon as practicable after completion and no later than the last day of the third month following the close of the period covered by the audit. Attached to the inside of the back cover of each copy of the audit report should be a copy of any transmittal letter, special reports, or similar communications furnished to the licensee by the auditor.

B. Reporting Irregularities

The independent public accountant shall promptly inform a responsible official of the licensee and the Deputy Associate Administrator for Investment, Investment Division, Small Business Administration, 1441 L Street NW., Washington, DC 20416, concerning any apparent defalcation that may come to his attention in connection with his examination. Based on available information, he will indicate the nature and the extent of such defalcation(s). In regard to the other financial or regulatory irregularities that may come to his attention in connection with his examination, the independent public accountant shall promptly inform the licensee in writing of his findings. The licensee shall, within 30 days, inform the SBA of the findings of the independent accountant and enclose a copy of the report to the SBA. The independent accountant shall, not later than 60 days after the date of his report to the licensee concerning the irregularities request confirmation from the SBA that the SBA has received a copy of his report to the licensee dated (insert date).

C. Regulated Investment Companies

Concerning licensees that are registered with the Securities and Exchange Commission, additional reports are required by SEC which are identified in Chapter 1 of

the AICPA's Audit Guide. It should be noted that any report submitted by a licensee to the SEC shall also be submitted to the Investment Division, Small Business Administration, 1441 L Street NW., Washington, DC 20416.

D. Special Management Reports

Frequently, the independent public accountant or an outside consultant will render special reports to the licensee's management concerning the financial condition or other matters on the portfolio investments of the licensee. All such reports will be maintained in the licensee's files pursuant to the record retention requirements of Section 1002 of Part 107 of SBA regulations and will be available to SBA as needed. In this respect, tax returns will be retained in the files and made available to SBA as required.

Upon request, licensees will submit to SBA either, the complete SBA form 468 or a part thereof. Such reports are considered interim in that they cover less than a full year of operations and the financial report is not audited by the licensee's independent accountant. Accordingly, such reports are in addition to, not in lieu of, the annual report.

E. Investment Objectives & Policies

The composition of a licensee's loans and investments varies from one licensee to another and reflects the licensee's policies and objectives of investing that are being followed in practice. Such objectives may emphasize equity investments, loans or a balance between loan and equity investments. The portfolio may also be widely diversified or specialized as to industry or geographic area. In addition, the licensee may choose to be "301(d) licensee" that is organized to be a profit or non-profit corporation with an investment policy limited to providing financing solely to small business concerns which will contribute to a well-balanced national economy by facilitating ownership in such concerns by persons whose participation in the free enterprise system is hampered because of social or economic disadvantages. Such licensees were formerly designated by the acronym "MESBIC."

The basic investment objectives adopted by management can be found in the licensee's proposal to operate, as amended.

F. Federal Income Tax Provisions Affecting Investment Accounts

Licensees which elect to qualify as Regulated Investment Companies under Subchapter M of the Internal Revenue Code must meet the various requirements set forth therein which are summarized in Chapter 5 of the AICPA's Audit Guide. Also Item VI. B. of this Guide summarizes the special income tax provisions that may apply to licensees.

G. Recordkeeping Requirements Relating to Investment Activity

No specific recordkeeping system for investment activity is required other than that provided in the SBA's System of Account Classification. However, the licensee is to develop systems and maintain records sufficient to properly account for transactions

and valuation of individual loans and investments.

Section 107.1002 of the SBA Rules and Regulations specifies the records and documents which must be maintained and preserved by all licensees. In addition, licensees registered under the Investment Company Act of 1940 are required to maintain and preserve those records specified in such Act and the Rules and Regulations thereunder.

H. Custody of Securities

A licensee's management is expected to assume responsibility for the custody of securities. Accordingly, there is to be safekeeping for securities, usually a safe deposit box at a bank or other custodian with such safekeeping facilities, and control over withdrawal of securities from safekeeping is required as specified in § 107.1003 of the SBA Regulations.

I. Valuation of Securities

The general practice in the investment company industry is to disclose, in one form or another, valuation of securities at quoted market values or, in the absence of quoted values, at fair values determined by the company's Board of Directors or General Partner(s) in good faith.

Ordinarily, little difficulty should be experienced in valuing securities traded on a recognized securities exchange since the prices of transactions are published daily. If a security was traded on the valuation date, the last quoted sales price generally is used. However, if there were no sales on the exchange on the valuation date but published closing bid and asked prices are available, the valuation should be within the range of these quoted prices. Where quotations appear questionable, consideration should be given to valuing the securities at fair value as determined in good faith by the Board of Directors or General Partner(s).

Quotations are available from various sources for most unlisted securities traded regularly in the over-the-counter market. Ordinarily, quotations for an over-the-counter security should be obtained from more than one broker/dealer unless available from an established market-maker for that security. Quotations for several days should be used and the valuation should be within the range of these quotations.

The Board of Directors or General Partner(s) when valuing securities must consider the effect of factors having a bearing on the value of such securities even when they are traded on a recognized exchange where market quotations are available. Examples of such factors are a thin market, large holdings by the licensee that would adversely affect the market price if traded, or securities that are restricted.

Regarding securities that are not publicly traded, it is incumbent upon the Board of Directors or General Partner(s) to satisfy themselves that all appropriate factors relevant to the value of securities for which market quotations are not readily available have been considered and to determine the method of arriving at the fair value of each security.

To the extent considered necessary, the Board of Directors or General Partner(s) may

appoint persons to assist it in the determination of such value. However, the Board of Directors or General Partner(s) must review continuously the appropriateness of the method used in valuing each loan and investment in the licensee's portfolio.

It should be noted that the investments of licensees usually are venture-type investments that complicate the determination of value. The investee, in such cases, is usually a closely held, immature Small Business Concern whose stock is not publicly traded.

In addition, there may be weaknesses in the Concern's management. For these and other reasons, cost may be the most appropriate measure of value of venture-type securities until sufficient evidential matter is available to the licensee's Board of Directors or General Partner(s) to form a basis for valuing the securities at other than cost.

As stated in Accounting Series Release No. 118 of SEC. (404.03 Codification of Financial Reporting Policies) no single standard for determining fair value in good faith can be laid down, since fair value depends upon the circumstances of each individual case. SBA has set forth guidelines in SBA Policy and Procedural Release No. 2006 to assist the directors of licensees in valuing their securities. The auditor should satisfy himself that the valuation guidelines issued by SBA, or other reasonable methods, are used in valuing securities.

Additional guidance for the valuation of securities is given in Chapter 3 of the AICPA Audit Guide and in Accounting Series Releases 113 (404.04 Codification of Financial Reporting Policies) and 118 issued by the SEC.

J. Audit Procedures

The auditing procedures relating to the investment accounts of investment companies require greater attention than those of a commercial enterprise because of the relative significance of such assets. In either case, the independent auditor should evaluate the internal accounting controls as a basis for determining the extent of his examination. The auditing procedures outlined in the AICPA's Audit Guide should be followed to the extent appropriate. Concerning valuation of securities:

The Licensee's Board of Directors or General Partner(s) Has (Have) the Sole Responsibility for Valuing Securities in Good Faith

The auditor is not to be an appraiser in the sense that he is to determine the value of the licensee's securities. He is, however, expected to review the methods and evidential matter used by the Board of Directors or General Partner(s) in their determinations of fair value. He is further expected to comment in his report on the reasonableness of such practices and adequacy of such information.

K. 3 Percent Cumulative Preferred Stock

As part of the leverage funds provided to a 301(d) licensee, SBA may purchase 3 percent cumulative preferred stock, which while considered to be part of equity, is not considered paid-in capital or paid-in surplus for leverage or regulatory purposes.

The rights of the preferred stockholder (SBA) are set forth in § 107.203 of the SBA Regulations.

L. Unrealized Gain (Loss) on Securities Held

Unrealized Gain (Loss) on Securities Held represents the estimated net gain (loss) after tax effect, if any, that the licensee would realize if the loans and investments were sold at the statement date, but as if in the normal course of business.

The auditor should recognize that Unrealized Gain (Loss) on Securities Held results from valuation of Loans and Investments by the licensee's Board of Directors. Such valuation usually is a judgmental estimate which involves uncertainties that are difficult to quantify. Accordingly, the reliability of the unrealized gain (loss) on securities held will not be as great as realized gain (loss) on sale of securities because the latter is based on transactions that are objectively measurable.

1. *Unrealized Appreciation on Securities Held.* This is the amount by which fair value of the licensee's loans and investments exceeds cost.

2. *Unrealized Depreciation of Securities Held.* This is the amount by which fair value of the licensee's loans and investments is less than cost. Included in unrealized depreciation are items such as allowances for losses, temporary declines, and mortgage discounts.

3. Estimated Income Taxes.

a. *Corporate Licensees*—This is a provision for taxes on the net amount of unrealized appreciation and the offset being a deferred credit or deferred charge.

b. *Limited Partnership Licensees*—No provision for estimated income taxes is necessary since partnerships do not pay income taxes.

M. Undistributed Realized Earnings

Undistributed Realized Earnings is the cumulative balance of periodic net investment income including realized gain (loss) on securities sold.

1. *Corporate Licensees*—less dividend distributions whether cash, stock or dividends in kind. Included are non-cash gains on securities sold, i.e. notes, securities or other assets received.

2. *Limited Partnership Licensee*—less distributions to partners, general or limited, whether cash or property in kind. Included are non-cash gains on securities sold, i.e. notes, securities or other assets received.

Such non-cash gains will not be available for capitalization or distribution until such assets are converted to cash. Accordingly, undistributed realized earnings will be reflected in two capital accounts: (1) Non-Cash Gains/Income and (2) Undistributed Net Realized Earnings.

3. *Non-cash income from the following sources is to be reported as non-cash income, and in certain cases may be reported on the equity method:*

- (a) Corporate Licensee from a
 - (i) parent and/or
 - (ii) subsidiary
- (b) Partnership Licensee from
 - (i) partner (general or limited) and/or

(ii) wholly owned investment or management company which results in an unpaid receivable.

VI. Other Matters

The independent auditor should satisfy himself that investment company accounts not specifically mentioned in this audit guide or the AICPA Audit Guide are maintained in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards for other commercial enterprises.

A. Compensating Balances

In those instances where idle funds are encumbered or are being used as "compensating balances", the nature and extent of such encumbrance will be disclosed in a note to the financial statements.

If the compensating balance is a formal arrangement, the funds should be reclassified to either other current assets or other assets, whichever would be appropriate.

B. Taxes

Licensees receive special tax treatment in a number of areas. The effect is to allow certain exclusions or additional deductions without the limitations prescribed for other corporations.

A corporate licensee operating under the 1958 Act is allowed a 100 percent dividends received deduction for dividends received by it from a taxable domestic corporation. To claim this 100 percent deduction the licensee must file with its return a statement that it was a Federal licensee under the 1958 Act at the time of the receipt of the dividends.

An ordinary loss, rather than a capital loss, shall be taken on the sale or exchange of convertible debentures or stock acquired pursuant to the conversion privilege of such debentures. Capital losses on other investments receive no special treatment. A licensee must submit with its tax return a statement that it is a Federal licensee under the 1958 Act setting forth the name and address of the small business concern with respect to whose securities the loss was sustained, the number of shares of stock or the number or denomination of bonds, the basis and selling price, and the respective dates of purchase and sale or the reason for their worthlessness and the approximate date thereof.

Special provisions are provided for reserves for losses on loans of licensees, and they may obtain special treatment for net operating losses and may be excluded from the definition of a personal holding company. The independent auditor should assure himself that he is familiar with the most recent changes in the IR Code concerning net operating losses or other matters affecting the licensee.

A shareholder in a licensee may treat a loss on stock as an ordinary loss and in the case of a noncorporate shareholder such loss is considered a loss from a trade or business.

Finally, there is no excess accumulated earnings tax assessed to a licensee provided it utilizes such earnings and profits for additional loans and investments.

Congress has recently changed the rules on Subchapter S Corporations. Licensees should seek knowledgeable tax counsel prior to any decision.

C. Notes and Debentures Payable to or Guaranteed by SBA

A primary advantage of the SBIC program is the ability of licensees to acquire long-term leverage funds from SBA. Usually the terms and conditions set forth in § 107.203(b) of SBA Rules and Regulations are incorporated in the debenture as covenants to the agreement.

Section 107.203(b)(1)(iii) provides that the entire indebtedness of the licensee may be declared immediately due and payable for: "... Failure of the licensee, as determined by SBA, to comply with any one or more of the provisions of the Act or Regulations promulgated thereunder, as they may be amended from time to time ..."

Demand in such cases will be made in a letter from SBA specifying the violations that have occurred and that funds owed the SBA are due and payable in accordance with the acceleration provisions of the debentures. The violations which cause demand to be made are usually those which are significant and include such areas as conflicts of interest, control of small business concerns by the licensee, overline investments and any other such major acts which might be determined by SBA to be contrary to the Act and Regulations. It should be noted that in such cases demand is viewed as a means to protect the SBA's position as a creditor usually after other efforts have been unsuccessful.

In those instances where the licensee fails to maintain either the capital requirement or the investment ratio (See section 303(b)(2) of the Act or §§ 107.203(b)(6) and 107.203(d) of the Regulations) SBA may, in its discretion, upon written notice consider part or all of the licensee's long-term debt to be due and payable. Written notice is not required, however, for the long-term debt to be considered due and payable when any of the four conditions set forth in § 107.203(b)(2) exist.

Should the auditor have difficulty in determining whether demand has been or is about to be made on such long-term indebtedness, he may consider requesting a positive confirmation from the Deputy Associate Administrator for Investment, Small Business Administration, 1441 L Street, NW., Washington, DC 20416, as to whether the licensee is in violation of the Act or regulations as of the statement date and as a result whether demand is being made by SBA on the long-term debt.

D. Licensees Regulated under the Investment Company Act of 1940

Licensees that are regulated by SEC under the Investment Company Act of 1940, shall also comply with the Fidelity Bond requirements set forth in § 270.17g-1 of the SEC Rules and Regulations. Therefore, SBICs that are regulated by SEC under the 1940 Act are to comply with such requirements.

VII. Reporting Requirements—Specifics

A. General

The financial statements of Licensees are directed to the presentation of financial position, changes in financial position, results of operations and supporting schedules. Such statements and schedules constitute the

Financial Report, SBA Form 468, and are required to be presented in the prescribed format.

The financial statements required for Licensees differ in certain respects from those suggested in the AICPA's Audit Guide. Such deviations are not at variance with generally accepted accounting principles and reporting practices. The opening paragraphs of Chapter 7 of the AICPA's Guide support this view:

"The financial statements illustrated in this chapter are for typical open-end management investment companies and may need to be modified to fit the requirements of other types of investment companies."

"In all instances, the management of investment companies and the auditor should be cognizant of the need for reporting in a manner which properly highlights significant information for shareholders and other interested parties. Content and format of reports required by regulatory authorities, e.g., the Securities and Exchange Commission and Small Business Administration, are, of course, governed by the requirements of the applicable form and related rules, regulations, and instructions."

The Financial Report (SBA Form 468) with supporting schedules, is designed to present the licensee's financial statements as audited by the independent public accountant. Accordingly, the statements are based on the transactions recorded in the accounts.

The Financial Report contains standard statements and schedules. Therefore, when a particular statement or schedule does not apply to the licensee's operations, it should be omitted. For example, if the licensee did not sell securities during the period, the Statement of Realized Gain (Loss) on Sale of Securities would be omitted. The Financial Report, therefore, should be "tailored" to fit the licensee's given situation.

Such tailoring, however, does not include deviating from accounting and reporting practices prescribed in these appendices.

B. Financial Report Heading

Set forth in the appropriate spaces the information called for representing the identification and the principal office address of the licensee. As to the employer identification number, enter the number assigned to the licensee by the U.S. Treasury Department. If such number has not yet been assigned, an Application for Employer Identification Number, Form SS-4, shall be submitted to the U.S. Director of Internal Revenue for the area in which the licensee's principal office is located.

The preparer of this report should keep in mind that amounts are to be rounded to the nearest dollar.

The following is a detailed discussion as to how the statements are prepared.

[OMB Control No.: 3245-0063]

Cover Sheet

Give Name of Licensee, City, State and License Number on the designated lines. Show Fiscal Year End in the space provided. Immediately below the appropriate lettered box, enter the number that describes the

proper classification shown in Tables A through D.

Name of Licensee: _____

City and State: _____

County: _____

ZIP CODE: _____

Employer ID Number: _____

(SIC Code, 4 digit): _____

Licensee Number: _____

Annual Report

For Fiscal Year Ended _____, 19____

SBA Form 468

Size and Classification

A B C D

Size—In total Assets—A:

- 1 Zero to \$1 million
- 2 \$1 million to \$2 million
- 3 \$2 million—\$5 million
- 4 \$5 million—\$10 million
- 5 over \$10 million

Ownership—B:

Bank-Owned:

- 1 Bank Dominated (50% or more owned by Bank or Bank Holding Company)
- 2 Bank Associated (10% to 49% owned by Bank or Bank Holding Company)

Owned by Financial Corporation (Other Than Bank or Bank Holding Company):

- 3 Publicly Owned
- 4 Privately Owned

Owned by Non-Financial Corporation:

- 5 Publicly Owned
- 6 Privately Owned

Owned by Individuals:

- 7 Publicly Owned
- 8 Privately Owned

Investment Policy—C:

- 1 Diversified
- 2 Non-diversified

Venture Capital Status—D:

- 1 Venture Capital Qualified
- 2 Not Venture Capital

C. Statement of Financial Position

This statement is designed to measure the licensee's financial position as of the statement date in a conventional balance sheet format. Because of their significance, loans and investments are presented before current or other assets. Likewise, long-term debt is shown before current or other liabilities.

1. Assets—Are grouped according to Loans and Investments, Investment in 301(d) Licensee, Current Assets and Other Assets.

a. Loans & Investments as grouped into four categories:

(1) *Portfolio Securities*—Are those securities of small business concerns obtained through providing financing.

(2) *Assets Acquired in Liquidation of Portfolio Securities*—Are those securities or other assets the licensee has acquired by taking action to protect its investment. Such assets are grouped according to receivables from debtors, and other assets acquired.

(3) *Operating Concerns Acquired*—Represents the total investment in portfolio concerns where action was necessary to protect the licensee's investment. This will include only operating concerns over which the licensee has acquired control or has the power to control either individually or in concert with other licensees.

(4) *Other Securities*—Are those securities the licensee holds that did not result from providing financing to small business concerns. Other securities will result when portfolio securities or assets acquired are sold and part of the net sales price is notes, or other securities. Also, dividends in kind from portfolio concerns would be classified as other securities.

Loans and investments are shown at cost and through adjustments for unrealized appreciation and unrealized depreciation arrive at their value.

b. *Investment in 301(d) Licensee*—Is a unique investment in that the nature and purpose of the investee is similar to that of the investors. Also, the investor actively participates in the management of the investee. For those and other reasons, investments in 301(d) licensees are not classified as Loans and Investments but are shown as a separate asset group on the Statement of Financial Position. Such investments will be carried on the equity method of accounting.

c. *Current Assets*—Are those assets that are cash, expected to be converted to cash or are expected to be expensed in the next operating business cycle: i.e., one year from the statement date. While current assets are not grouped as such for other investment companies, regulatory purposes require such a grouping for SBICs.

d. *Other Assets*—Are those assets that are not otherwise explained above. Included are furniture and equipment, deferred charges, funds in escrow and other items.

e. *Memorandum Assets*—Are worthless investments, each of which has been written off. The licensee will disclose in a footnote to the financial statements on the disposal of any security in this category.

2. *Liabilities*—Are classified according to long-term debt, current liabilities and other liabilities.

a. *Long-Term Debt*—Includes debt of the licensee net of current maturities. Such debt is grouped according to that which is payable to or guaranteed by SBA and that which is payable to others.

b. *Current Liabilities*—Are those liabilities requiring the payment of cash during the next business cycle; i.e., 12 months from the statement date. Included are accounts payable, accrued interest and taxes payable, current maturities on long-term debt, dividends payable, distributions payable to partners and other current items.

Other Liabilities—Are those liabilities not otherwise classified and include trust receipts, deferred credits and other items.

3. *Corporate Capital Accounts*—Are grouped according to paid-in capital and surplus, 3 percent preferred stock sold to SBA, unrealized gain (loss) on securities held and undistributed realized earnings.

a. *Capital Stock and Paid-In-Surplus*—Represents the licensee's capital which is the

first component used to compute the licensee's regulatory capital for leverage and overline purposes.

b. *3% Preferred Stock Issued to SBA*—While such preferred stock by the nature of the instrument is equity, it is not considered paid-in capital and paid-in surplus; rather it is a part of the leverage funds obtained by a 301(d) licensee from SBA.

c. *Unrealized Gain (Loss) on Securities Held*—Is the net unrealized appreciation on securities held after an allowance for taxes as of the statement date. This is the amount in column 2 line 13, on the Statement of Unrealized Gain (Loss) on Securities Held if a corporation or the amount of column 2 line 11 of a partnership.

d. *Undistributed Realized Earnings*—Represents the cumulative balance of periodic net investment income and realized gain (loss) on securities sold, less dividend or distributions. Undistributed realized earnings are composed of:

(1) *Non-Cash Gains/Income*—Which represent notes, securities or other assets received as part of the net sale price when securities are sold and non-cash income from investments reported on the equity method of accounting.

(2) *Undistributed Net Earnings Realized*—Which represents undistributed earnings realized net of (a) non-cash gains on sale of securities (b) non-cash income from investments reported on the Equity Method of Accounting.

4. *Retained Earnings Computation*—In note form above the Statement of Undistributed Realized Earnings is designed to set forth "retained earnings" on the same basis and in the same manner as it was viewed on the cost basis. Such Retained Earnings will be the basis for dividend declaration (whether cash or stock) or the basis for capitalizing earnings by corporate resolution.

"Retained Earnings" is Undistributed Net Realized Earnings reduced by allowances for losses that have been established on Loans and Investments. The allowance for loss should not be less than the net amount by which the unrealized depreciation exceeds the unrealized appreciation.

Treasury Stock is a restriction on the amount of Retained Earnings available for distribution.

5. *Partnership Capital Accounts*—Are grouped according to Partner's Permanent Capital Contribution (paid-in cash and capitalized retained earnings), Unrealized Gain (Loss) on securities held, non-cash gain on sale of securities and undistributed net-realized earnings.

a. *Partners Permanent Capital Contribution*—Represents cash paid in to acquire a partnership interest plus any undistributed net realized earnings transferred to partner's permanent capital contribution which is the basis for leverage and other regulatory purposes.

b. *Unrealized Gain (Loss) on Securities Held*—Is the net unrealized appreciation on securities held as of the statement date. This is the amount in column 2, line 11, on the Statement of Unrealized Gain (Loss) on Securities Held.

c. *Non-Cash Gains/Income*—Which represent notes, securities or other assets received as part of the net sale price when securities are sold, and non-cash income from investments reported on the equity method of accounting.

d. *Undistributed Net Realized Earnings (Earned Capital)*—Represents the cumulative balance of periodic net investment income and realized gain (loss) on securities sold less partnership distributions.

6. *Partners Earned Capital Computation*—In note form above the statement of undistributed realized earnings is designed to set forth "retained earnings" on the same basis and in the same manner as it was viewed on the cost basis. Such "Earned Capital" will be the basis for partnership distributions (whether cash or in kind) or the basis for capitalizing earnings by agreement of the partners in accordance with the partnership agreement.

"Retained Earnings" is Undistributed Net Realized Earnings reduced by allowances for losses that have been established on Loans and Investments.

General Discussion of Partnership Capital Accounts Regulatory Problems

Regulations governing SBICs create very special and unique requirements for the accounting of Partners' Capital Accounts. Normal partnership accounting requires only one capital account for each partner. Depending on the partnership agreement there may be additional accounts for partner's salaries, interest on partners' capital invested, and/or partners' drawing accounts. At the end of the fiscal year all of the partner's other accounts are closed to the partner's capital account in addition to the partner's share of the results of operations for the year.

Some limited partnership agreements divide the partnership capital between (1) Partnership Permanent Capital, and (2) Partnership Earned Capital.

SBICs, who have adopted the limited partnership form of organization, must, because of regulatory requirements, keep the partners' capital accounts divided into four sub-sections. Each subsection and the legal reason requiring the subsection will be discussed separately. The four subsections are (1) Partner's Permanent Capital Contribution, (2) Partner's Unrealized Gain on Securities Held, (3) Partners Non-cash Gain/Income (restricted capital) and (4) Partners Undistributed Net Realized Earnings (Earned Capital). The sum of these four accounts is the equivalent of the partnership capital account of a non-SBIC partnership. The SBIC must also keep the general partners and limited partners shares of each of the four capital accounts separate which creates eight capital accounts as control accounts. The SBIC will, either by subsidiary or memorandum accounts, keep a record for each partner, general or limited.

Partners' Permanent Capital Contribution

The balances shown in these accounts are the amount of cash contributed by each partner to the partnership less any reductions to permanent capital. Any reductions of permanent capital in excess of two percent in any fiscal year must receive prior approval from SBA. These balances after the adjustments required by regulation then constitute "Regulatory Capital" for first, the amount of capital that will be leveraged by SBA and second, the amount of capital that determines the legal maximum amount of any investment in a small business concern without requiring SBA approval for an "Overline". Partners' Permanent Capital

Contribution performs the same function for the partnership as "Capital Stock" and "Capital Surplus Contributed in Excess of Par Value" perform in a corporation.

Partners' Net Realized Gains and Partners' Non-Cash Gains/Income

A limited partnership which was not subject to the legal requirements of an SBIC would have a single account titled "Earned Capital". Distributions to either general or limited partners would be charged to this account. SBA rules and regulations, however, permit distributions to be made only from gains realized in cash or cash income from investments reported on the equity method of accounting. "Earned Capital" is therefore divided into two accounts:

1. Partners' Net Realized Gain and,
2. Partners' Non-cash Gains/Income.

Distributions may only be made to partners to the extent that Partners' Net Realized Gains has a credit balance.

Partners' Unrealized Gains on Securities Held

Investment companies report on the value basis rather than on the cost basis for their investments. This account has many of the characteristics of either appraisal surplus for a corporation or recognized goodwill on the admission of a new partner in a non-investment partnership. Normal practice, in a non-investment partnership, for the admission of a new partner by investment in the partnership or the withdrawal of a partner from the partnership requires agreement by all parties on the current market value of the assets to determine the proper price to be paid by a new partner for admission or to the partner who is withdrawing.

License No.

Name of Licensee

Statement of Financial Position as of

(Amounts rounded to nearest dollar)

Assets, loans and investments	Cost	Valuation		Value
		Unrealized depreciation	Unrealized appreciation	
Portfolio Securities:				
1. Loans				
2. Debt Securities				
3. Equity Interests				
4. Total				
Assets Acquired in Liquidation of Portfolio Securities:				
5. Receivables From Debtors on Sale of Assets Acquired				
6. Assets Acquired				
7. Total				
8. Operating Concerns Acquired				
9. Notes and Other Securities Received				
10. Total Loans and Investments				
11. Less Current Maturities				
12. Loans and Investments Net of Current Maturities				
Investment in 301(d) Licensee (Note 1):				
13. Name				
License No.				

Assets, loans and investments	Cost	Valuation		Value
		Unrealized depreciation	Unrealized appreciation	
Current Assets:				
14. Cash.....				
15. Invested Idle Funds.....				
16. Interest and Dividends Receivable.....				
17. Notes, Accounts Receivable and Receivables from Parent.....				
18. Less: Allowance for Losses.....				
19. Current Maturities of Portfolio Securities.....				
20. Current Maturities of Assets Acquired.....				
21. Current Maturities of Operating Concerns Acquired.....				
22. Current Maturities on Other Securities.....				
23. Other Current Assets.....				
Other Assets:				
24. a. Furniture & Equipment.....				
b. Less: Accumulated Depreciation.....				
25. Other.....				
26. Total Assets.....				

(Note 1) Note to Item 13 should include percent owned, cost basis and changes resulting from equity method of accounting.

(Note 2) Column Heading apply to items through 12 only. (Cost - Unrealized Depreciation + Unrealized Appreciation = Value)

(Note 3) Memorandum Assets—are worthless investments, each of which has been written off. The Licensee will disclose in a footnote to the financial statements on the disposal of any security in this category.

Description by Line Item—The following is a description by line item as to how the amounts shown on this statement are developed.

Item 1, Loans—In column 1, show the balance of account 170 less the balance of account 173. In column 2, show the balance of account 172. In column 3, show the balance of account 171.

Item 2, Debt Securities—In column 1, show the aggregate of balances in accounts 180 and 184 less account 188. In column 2, show the balance of account 187. In column 3, show the balance of account 186.

Item 3, Equity Interests—In column 1, show the aggregate of balances in accounts 190, 191, 194 and 197. In column 2, show the aggregate of balances in account 193, 196, and 199. In column 3, show the aggregate of balances in account 192, 195, and 198.

Item 4, Total—Show the total of Items 1, 2, and 3 which represents the total of portfolio securities.

Item 5, Receivables from Debtors or Sale of Assets Acquired—Show in column 1 the balance of account 200 and in column 2 the balance of account 203.

Item 6, Assets Acquired—In column 1, show the balance in account 204. In column 2, show the balance in account 206 and in column 3, show the balance of account 205.

Item 7, Total—State the aggregate of Items 5 and 6 which represents the total of assets acquired in liquidation to portfolio securities.

Item 8, Operating Concerns Acquired—Show in column 1 the balance of account 210, in column 2 the balance of account 212 and in column 3 the balance of account 211.

Item 9, Notes and Other Securities Received—Show in column 1 the aggregate of balances in accounts 220 and 221. In column 2, show the balance in account 223 and in column 3 show the balance of account 222.

Item 10, Total Loans and Investments—State the aggregate of Items 4, 7, 8, and 9 which represents the total of loans and investments.

Item 11, Less Current Maturities—Show the aggregate of balances in accounts 150 thru 154.

Item 12, Loans and Investments Net of Current Maturities—Show the amount stated in Item 10, column 4 less the amount shown in Item 11.

Item 13, Investment in 301(d) Licensee—When a licensee has an investment in a 301(d) licensee, the name and license number of the investee should be shown in the space provided. The balance shown in account 160 should be shown.

Item 14, Cash—Show the aggregate of accounts 100 through 120.

Item 15, Invested Idle Funds—Show the aggregate of accounts 130 through 138.

Item 16, Interest and Dividends Receivable—Show the aggregate of balances in accounts 143 and 145.

Item 17, Notes, Accounts Receivables, and Receivables from Parent—Show the aggregate of balances in accounts 140, 141 and 146.

Item 18, Less: Allowance for Losses—Show the aggregate of balances in accounts 142 and 144.

Item 19, Current Maturities of Portfolio Securities—Show the balance of account 150.

Item 20, Current Maturities of Operating Concerns Acquired—Show the balance of account 152.

Item 21, Current Maturities of Operating Concerns Acquired—Show the balance of account 153.

Item 22, Current Maturities of Other Securities—Show the balance of account 154.

Item 23, Other Current Assets—Show the balance of account 156.

Item 24, (a), Furniture & Equipment—Show the balance of account 240.

Item 24, (b), Less: Accumulated Depreciation—Show the balance of account 241.

Item 25, Other—Show the aggregate of balances of accounts 230, 231, 250, 251, 252, 265 thru 269.

Item 26, Total Assets—Show the aggregate of Items 12, 13 and 14 through 25.

Note—The following 6 forms are applicable only to corporations. The next 6 forms are applicable only to partnerships.

Name of Licensee:.....
 License Number:.....
 (Use only if Licensee is a Corporation).....

Statement of Financial Position (Continued)

As of _____

Liabilities and Capital			
Long-Term Debt (Net of Current Maturities):			
27. Notes and Debentures Payable to or Guaranteed by SBA			
28. Notes and Debentures Payable to Others			
29. Total			
Current Liabilities:			
30. Accounts Payable and Accounts Payable Due Parent			
31. Accrued Interest Payable			
32. Accrued Taxes Payable			
33. a. Current Maturities of Line 27			
b. Current Maturities of Line 28			
34. Dividends Payable			
35. Other Current Liabilities			
36. Total			
Other Liabilities:			
37. Trust Receipts			
38. Deferred Credits			
39. Other Liabilities			
40. Total Liabilities			
Capital			
41. Capital Stock			
42. Paid-in Surplus			
43. Paid-in Capital Stock and Surplus			
44. 3% Preferred Stock Issued (301(d) Licensees only)			
45. Unrealized Gain (Loss) on Securities Held			
46. Non-Cash Gains/Income (Note 1)			
47. Undistributed Net Realized Earnings			
(a) Restricted—Equal to Cost of Treasury Stock			
(b) Free			
(c) Subtotal (47(a) plus 47(b))			
48. Undistributed Realized Earnings			
49. Total			
50. Less Cost of Treasury Stock			
51. Total Capital			
52. Total Liabilities & Capital			

(Note 1) Note to Item 46 should show (a) amount of non-cash gains on sale of securities and (b) income from investments reported on the equity method of accounting.

Item 27, Notes and Debentures Payable to or Guaranteed by SBA—Show the aggregate of balances in accounts 300, 301 and 310.

Item 28, Notes and Debentures Payable to Other—Show the aggregate of balances in accounts 311, 312, 313 and 320.

Item 29, Total—Show the aggregate of Items 27 and 28.

Item 30, Accounts Payable and Accounts Payable Due Parent—Show the balance of account 340 and 341.

Item 31, Accrued Interest Payable—Show the balance of account 350.

Item 32, Accrued Taxes Payable—Show the aggregate of balances in accounts 351 and 354.

Item 33(a), Current Maturities of Line 27—Show the balance of account 330.

Item 33(b), Current Maturities of Line 28—Show the balance of account 331.

Item 34 for Corporations, Dividends Payable—Show the aggregate of balances in accounts 360 through 364.

Item 35, Other Current Liabilities—Show the balance of account 358.

Item 36, Total—Show the aggregate of Items 30 through 35.

Item 37, Trust Receipts—Show the aggregate of balances in accounts 370, 374 and 378.

Item 38, Deferred Credits—Show the balances of accounts 380 and 383.

Item 39, Other Liabilities—Show the balance of account 390.

Item 40, Total Liabilities—Show the aggregate of Items 29 and 36 through 39.

The following accounts are applicable only to corporate licensees and are to be reported on the Statement of Financial Position for corporations.

Item 41, Capital Stock—Show the aggregate of balances in accounts 400 through 414.

Item 42, Paid-in Surplus—Show balance of account 420.

Item 43, Paid-In Capital Stock and Surplus—Show the aggregate of items 41 and 42.

Item 44, 3% Preferred Stock Issued to SBA (301(d) Licensee's Only)—Show the balance of account 430.

Item 45, Unrealized Gain (Loss) on Securities Held—Show the aggregate of balances of account 440 less 445 and 448.

Item 46, Non-Cash Gain/Income—Show the balance of account 450 and 463.

Item 47, Undistributed Net Realized Earnings—Undistributed Net Realized Earnings is the amount of realized earnings minus the amount of non-cash gains and non-cash income from investments reported on the equity method of accounting. This will be the amount of account 451. Treasury Stock is a restriction on the amount of earnings available for distributions to stockholders. Capitalization of retained earnings by a credit to Capital Stock and/or Paid-in Surplus is a distribution to stockholders.

Item 47(a), Restricted—Equal to Cost of Treasury Stock—Show the aggregate of the balances in accounts 415 through 419.

Item 47(b), Free—This is the amount of undistributed net realized earnings available for distribution if there is a restriction due to the presence of Treasury Stock. The amount to be shown as Item 47(b) is the difference between Account Number 451 and the amount shown as Item 47(a). If Account Number 451 has a debit balance do not report the cost of Treasury Stock as Item 47(a). If the licensee does not have Treasury Stock Item 47(b) and Item 47(c) will be identical. In such instance it will be necessary to complete both Item 47(b) and 47(c) since Item 47(b) is

required for other computations on the Form 468.

Item 47(c), *Subtotal*—This is the sum of Items 47(a) and 47(b).

Item 48, *Undistributed Realized Earnings*—Show the aggregate of Items 46 and 47.

Item 49, *Total*—Show the aggregate of Items 43, 44, 45 and 48.

Item 50, *Less Cost of Treasury Stock*—Show the sum of the balances in Account Numbers 415 through 419.

Item 51, *Total Capital*—Subtract Item 50 from Item 49.

Item 52, *Total Liabilities and Capital*—Add Item 40 and Item 51.

Name of Licensee.....

License No.....

(Use Only if Licensee is a Corporation)

Computation of Earnings Available for Dividend Declaration or Capitalization

Note.—Retained Earnings Available for Dividend Declaration or Capitalization in Accordance With SBA Regulations

Computed As Follows:

Undistributed Net Realized Earnings (Line 47(b)).....

Less: Allowance for Losses on Loans & Investments.....

Retained Earnings Available for Distribution or Capitalization.....

Statement of Undistributed Realized Earnings—Lines 46, 47, 48:

Description	Non-Cash Gains/Income	Undistributed Net Earnings	Total
	(46)	(47)	(48)
1. Beginning Balance			
2. Additions:.....			
a. Net Investment Income			
b. Realized Gain (Loss) on Sale of Securities			
c. Non-cash Gains on Distributions In Kind (Note 1).....			
d.			
e. Total Additions			
3. Adjust: Collections of Non-cash Gain	()		//////////
4. Total (Lines 1, 2, 3).....			
5. Deductions:.....			
a. Dividends—Cash	//////////		
b. Dividends—Stock	//////////		
c. Dividends-In Kind (Note 2)			
d.			
e. Total Deductions.....			
6. Ending Balance.....			

(Note 1) Read Instructions Carefully

(Note 2) Name of SBC.....

Description of assets being distributed.....

D. Statement of Undistributed Realized Earnings (Page 5 Corp.)—This statement is designed to analyze the activity in undistributed realized earnings by non-cash gains/income and undistributed net earnings realized. The ending balances of this statement are the same as items 46 through 48 on the Statement of Financial Position.

Column 1: Non-Cash Gains activity can be determined by reviewing account 450 and 463.

Column 2: Undistributed Net Earnings activity can be determined by reviewing account 451.

1. *Beginning Balance*—In column 1, show the beginning balances of accounts 450 and 463 and in column 2, show the beginning balances of account 451. These amounts

should agree with the ending balances shown on the statement for the prior period.

2. (a) *Net Investment Income*—State as Non-cash income undistributed net earnings as applicable that amount shown as item 23 on the Statement of Operations Realized.

(b) *Realized Gain (Loss) on Sale of Securities*—Show the balances in accounts 461 and 462.

(c) *Non-cash Gains on Distributions In Kind*—In column 1 report the amount of unrealized gains on any distributions in kind during the period covered by this report.

3. *Adjustments: Collections of Non-Cash Gains*—Will be a decrease in column 1 "Non-Cash Gains" and will be an increase in column 2 "Undistributed Net Earnings." There will be no effect on column 3, "Total".

4. *Total*—Aggregate of lines 1, 2, & 3.

5. *Deductions:*

(a) and (b)—Are to be paid out of undistributed net earnings only. Therefore, dividends will be entered in column 2.

(c) *Dividends In Kind*—Column 1 show the amount of non-cash gain reported in column 1 Item 2(c). In column 2 show the cost of the asset being distributed. The total shown in column 3 is the value as reported for the asset on the SBA Form 468 immediately prior to the distribution.

6. *Ending Balance*—Is determined by subtracting 5(e) "Total Deductions" from item 4 which represents the beginning balance plus additions.

(Use Only if Licensee is a Corporation)

Name of Licensee.....

License
No.:

Statement of Operations Realized for—Months Ended—

Investment Income:

1. Interest on Loans and Debt Securities.....

2. Dividend Income.....

3. Income from Investments Reports on the Equity Method of Accounting.....

4. Management Services.....

5. Application and Other Fees.....	
6. Interest on Invested Idle Funds.....	
7. Income from Assets Acquired in Liquidation of Loans and Investments (Net of \$ _____ Expenses).....	
8. Other Income Income.....	
9. Gross Investment Income.....	
Expenses:	
10. Interest on Long-term Debt.....	
11. Commitment Fees.....	
12. Other Financial Costs.....	
13. Officer Salaries.....	
14. Employee Salaries.....	
15. Employee Benefits.....	
16. Investment Advisory and Management Services.....	
17. Directors' and Stockholders' Meetings.....	
18. Advertising & Promotion.....	
19. Appraisal & Investigation.....	
20. Communication.....	
21. Legal Fees.....	
22. Travel Expense.....	
23. Cost of Space Occupied.....	
24. Depreciation and Amortization Expense.....	
25. Audit and Examination Fees.....	
26. Insurance Expense.....	
27. Taxes Expense (Excluding Income Taxes).....	
28. Provision for Losses on Accounts Receivables.....	
29. Miscellaneous Expenses.....	
30. Total Expenses.....	
31. Net Investment Income Before Provision for Income Taxes.....	
32. Provision for Income Taxes (Note 1).....	
33. Net Investment Income (Loss).....	
Realized Gain (Loss) on Sale of Securities:	
34. Net Sale Price.....	
35. Cost of Securities Sold.....	
36. Net Prior to Income Tax Provision.....	
37. Provision for Income Taxes.....	
38. Realized Gain (Loss) on Sale of Securities.....	

Note (1).—Compute a tax only if lines 31 or line 36 show a gain.

E. Statement of Operations Realized—Corporation

This statement is designed to measure separately Net Investment Income (Loss) and Realized Gain (Loss) on Sale of Securities. Such measurement is of realized operations only and is on the accrual basis of accounting.

1. *Net Investment Income*—is the result of measuring revenue and expense associated with investment and management assistance activities of a licensee other than realized gain (loss) on securities sold. Revenue is organized by source; i.e., from portfolio, from services provided, or from other sources.

Provision for taxes is the final measurement prior to determination of Net Investment Income.

2. *Realized Gain (Loss) on Sale of Securities*—is a function of operations that is measured separately from Net Investment Income. While the Statement of Realized Gain (Loss) on Sale of Securities provides a detailed analysis of realized gain or losses, the Statement of Operations shows in the aggregate, net sales price of securities sold during the period, the cost of such securities sold and a provision for taxes on the resulting

gain. The remainder becomes net realized gain (loss) on sale of securities.

Although an allowance for loss on securities may be established for valuation and in some cases tax purposes, such allowances when provided are not reflected as an expense in measuring investment income. Rather, they are measured in the Statement of Unrealized Gain (Loss) on Securities Held as a component of unrealized depreciation which is an offset against unrealized appreciation. For this reason, the entire loss is reported in this statement when realized and the allowance for loss on the security is reduced by the amount of allowance previously established.

3. *Description by Line Item*—The following is a description by line item as to how the amounts shown on the Statement of Operations Realized are developed.

a. *Investment Income*—the amounts shown in items 1 through 33 of this statement are derived primarily from the general ledger accounts as follows.

Item 1, Interest on Loans and Debt Securities—Show the aggregate of balances in accounts 512, 516 and 541.

Item 2, Dividend Income—Show the balance of account 540.

Item 3, Income from Investments Reported on The Equity Method of Accounting—Show the balance of account 542.

Item 4, Management Services—Show the balance of account 532.

Item 5, Application and Other Fees—Show the aggregate of balances in accounts 500, 534 and 536.

Item 6, Interest on Invested Idle Funds—Show the balance of account 510.

Item 7, Income from Assets Acquired in Liquidation of Portfolio Securities—Show the balance of account 582 net of the balance of account 710. Also, show the balance of account 710 parenthetically.

Item 8, Other Income—Show the aggregate of balances in accounts 520 and 584.

Item 9, Gross Investment Income—Show the aggregate of items 1 through 8.

Item 10, Interest on Long-term Debt—Show the aggregate of balances in accounts 610 and 622.

Item 11, Commitment Fees—Show the balance of account 600.

Item 12, Other Financial Costs—Show the balance of account 642.

Item 13, Officer Salaries—Show the balance of account 663—1.

Item 14, *Employee Salaries*—Show the balance of account 663—2.

Item 15, *Employee Benefits*—Show the balance of account 670.

Item 16, *Investment Advisory and Management Service*—Show the balance of accounts 659 and 660.

Item 17, *Director's and Stockholder's Meetings*—Show the balance of account 657—1.

Item 18, *Advertising and Promotion*—Show the balance of account 650.

Item 19, *Appraisal and Investigation*—Show the balance of account 651.

Item 20, *Communication*—Show the balance of account 653.

Item 21, *Legal Fees*—Show the balance of account 661.

Item 22, *Travel Expense*—Show the balance of account 665.

Item 23, *Cost of Space Occupied*—Show the balance of account 654.

Item 24, *Depreciation & Amortization Expense*—Show the aggregate of balances in accounts 655 and 656.

Item 25, *Audit and Examination Fees*—Show the balance of account 652.

Item 26, *Insurance Expense*—Show the balance of account 658.

Item 27, *Taxes Expense (Excluding Income Taxes)*—Show the balance of account 664.

Item 28, *Provision for Losses on Receivables*—Show the balance of account 680.

Item 29, *Miscellaneous Expenses*—Show the aggregate of balances in accounts 672, 679, and 715.

Item 30, *Total Expenses*—Show the aggregate of items 10 through 29.

Item 31, *Net Investment Income before Provision for Income Taxes*—Show the balance of amount of item 9 less item 30.

Item 32, *Provision for Income Taxes*—Show the balance of account 720.

Item 33, *Net Investment Income (Loss)*—Item 31 minus Item 32.

Item 34, *Net Sales Price*—Show net sales price.

Item 35, *Cost of Securities Sold*—Show cost.

Item 36, *Net Prior to Income Tax Provision*—Line 34 minus line 35.

Item 37, *Provisions for Income Taxes*—Show amount of Income Taxes, if any, applicable to Gains on sale of securities.

Item 38, *Realized Gain (Loss) on Sale of Securities*—Item 36 minus Item 37.

Analysis of Capital Stock and Paid-in Surplus and Computation of Regulatory Capital

	Capital stock (note 1)	Paid-in surplus	Total
1. Balance at Beginning of Fiscal Year.....			
2. Additions:.....			
(a) Capital Stock Issued for Cash.....			
(b) Stock Dividends Issued for Capitalized Free Undistributed Net Realized Earnings.....			
(c) Capital Stock for Service Rendered*.....			
(d) Capital Stock Issued for Assets Other than Cash or Services.....			
(f) Other Credits (Explain)*.....			
(e) Gain on Sale of Treasury Stock.....			
3. Total Additions (The sum of Items 2(a) through 2(f)).....			
4. Subtotal (Line 1 plus Line 3).....			
5. Deductions:.....			
(a) Retirement of Capital Stock.....			
(b) Loss of Sale of Treasury Stock (Note 2).....			
(c) Distributions in Partial Liquidation.....			
(d) Other Debits (Explain).....			
6. Total Deduction (The sum of Items 5(a) through 5(d)).....			
7. Balance at End of Fiscal Year.....			
Computation of Regulatory Capital for Leverage Purposes:			
8. Regulatory Deductions: (Note 3)			
(a) Organization Expense (Note 4).....			
(b) Capital Stock Issued for Services.....			
(c) Capital Stock Issued for Assets Other than Cash or Services.....			
(d) Other Non-monetary Items.....			
(e) Investment in 301(d) Licensee.....			
(f) Treasury Stock at Cost.....			
(g) Other (Explain)*.....			
9. Total Regulatory Deductions (The sum of Items 8(a) through 8(g)).....			
10. Regulatory Capital For Leverage Purposes (Line 7 Minus Line 9).....			
Computation of Regulatory Capital for Overline Purposes:			
11. Net Unrealized Gains as Defined by Section 107.303(b) of the Regulations (note 5).....			
12. Regulatory Capital For Overline Purpose (Line 10 Plus Line 11).....			
* Give complete details of these items by means of footnotes.			

Note 1.—Capital Stock is the sum of the amounts of all classes of capital stock.

Note 2.—If Paid-in Surplus is not sufficient to absorb the entire amount of loss on the Sale of Treasury Stock, the amount of loss in excess of Paid-in Surplus will be charged against Undistributed Net Realized Earnings as shown on line 47(b) of the Statement of Financial Position.

Note 3.—The deductions listed in Items 8(b), 8(c), 8(d) and 8(g) are total amounts of

these items from time of organization to the end of the reporting period.

Note 4.—If the amount of cash contributed for the organization expense was never credited to Capital Stock or Paid-in Surplus, it should be so stated and explained by a footnote.

Note 5.—Licensees who rely on this section to increase the amount of their overline limitation will submit an addition to this schedule detailing the following information:

1. Name of small business concern.

2. Market in which traded.

3. Class of security.

4. Cost.

5. Value.

6. Amount of unrealized appreciation.

7. The total amount of unrealized appreciation on the securities listed.

8. The other adjustments reported on line 13 of the statement of unrealized gain (loss) on securities held.

9. The other adjustments required by 107.303b.

10. Names of market makers.

Analysis of Capital Stock, Paid-in Surplus and Computation of Regulatory Capital—

Line 1 Enter the amount shown on Form 468 as the balance at the end of the prior fiscal period.

Line 2(a) Capital Stock Issued for Cash—In column 1 enter the amount of par value or stated value of the stock issued. In column 2 enter the amount of cash received in excess of par or stated value. In column 3 enter the total of columns 1 and 2.

Line 2(b) Stock Dividends Issued for Capitalized Free Undistributed Net Realized Earnings—In column 1 enter the amount of par value or stated value of the stock issued. In column 2 enter the amount of fair market value of the stock in excess of the par or stated value of the stock. In column 3 enter the total of columns 1 and 2. This amount will be the amount charged against retained earnings.

Line 2(c) Capital Stock Issued for Services Rendered—In column 1 enter the amount of par or stated value of the stock issued. In column 2 enter the amount of fair market value of the services rendered in excess of the par or stated value of the stock. In column 3 enter the total of columns 1 and 2.

Line 2(d) Capital Stock Issued for Assets Other than Cash or Services—In column 1 enter the amount of par or stated value of the stock issued. In column 2 enter the amount of fair market value of the asset in excess of the par or stated value of the stock. In column 3 enter the total of columns 1 and 2.

Line 2(e) Gain on Sale of Treasury Stock—Enter the amount of gain on the sale of treasury stock in columns 2 and 3.

Line 2(f) Other Credits—Enter the amount of the credit in either column 1 or 2 or both and column 3.

Line 3 Total Additions—Enter the total of lines 2(a) through 2(f) of columns 1, 2 and 3.

Line 4 Subtotal—The total of line 1 and lines for columns 1, 2 and 3.

Line 5(a) Retirement of Capital Stock—In column 1 enter the amount of par or stated value of the stock being retired. In column 2 enter the amount appropriate circumstances. In column 3 enter the total of columns 1 and 2.

Line 5(b) Loss of Sale of Treasury Stock—Enter the amount of loss in columns 2 and 3 but not in excess of the balance of Paid-in Surplus.

Line 5(c) Distributions in Partial Liquidation—Enter the amount of the partial liquidation in either column 1 or 2 or both, appropriate to the facts and in column 3.

Line 5(d) Other Debits—Enter the amount of the debit in either column 1 or 2 or both and column 3.

Line 6 Total Deductions—Enter the total of lines 5(a) through 5(d) of columns 1, 2 and 3.

Line 7 Balance at the End of the Fiscal Period—Subtract line 6 from line 4 for columns 1, 2 and 3.

Line 8(a) Organization Expense—Enter the amount of organization expenses whether or not amortized.

Line 8(b) Capital Stock Issued for Services—Enter the amount credited to both

Capital and Paid-in Surplus for services since date of organization.

Line 8(c) Capital Stock Issued for Assets Other than Cash or Services—Enter the amount credited to both Capital Stock and Paid-in Surplus for assets other than cash or services since date of organization. At such time as the asset is converted to cash the amount of cash received may be considered to have been for stock issued. An adjustment to Paid-in Surplus may be necessary when the asset is converted to cash.

Line 8(d) Other Non-monetary Items—Enter the amount of other non-monetary items credited to either Capital Stock or Paid-in Surplus or both since date of organization.

Line 8(e) Investment in 301(d) Licensee—Enter the amount of investment in 301(d) licensee.

Line 8(f) Treasury Stock at Cost—Enter the cost of Treasury Stock.

Line 8(g) Other—Enter any other necessary adjustments.

Line 9 Total Regulatory Adjustments—Enter the sum of lines 8(a) through 8(f).

Line 10 Regulatory Capital for Leverage Purposes—Subtract line 9 from line 7 and enter.

Line 11 Net unrealized gains as defined by § 107.303(b)—Go to Note 5 prepare the necessary information and enter the result here.

Line 12 Regulatory Capital for Overline Purposes—Add line 11 to line 10 and enter.

(Use Only If Licensee Is a Corporation)

Name of Licensee.....
License Number.....

Statement of Changes in Financial Position for—Months Ended—

1. Beginning Cash and Invested Funds Position.....		\$
Funds Were Provided From:		
2. Net Investment Income	\$	
3. Depreciation, Amortization, Provision for Loss on Receivable.....		
4. Realized Gain (Loss) on Sale of Securities.....		
5. Decrease in Portfolio Securities		
6. Decrease in Assets Acquired.....		
7. Decrease in Operating Concerns Acquired.....		
8. Decrease in Other Securities		
9. Decrease in Current Assets (Excluding Cash and Invested Idle Funds)		
10. Decrease in Other Assets.....		
11. Increase in Current Liabilities.....		
12. Increase in Other Liabilities.....		
13. Increase in Long-Term Debt:		
a. Due to or Guaranteed by SBA		
b. Due to Others.....		
14. Sale of Licensee's Stock.....		
15. Total Funds Provided	\$	
16. Total Funds Available.....	\$	
Funds Were Used For:		
17. Increase in Portfolio Securities.....		
18. Increase in Assets Acquired.....		
19. Increase in Operating Concerns Acquired.....		
20. Increase in Other Securities.....		
21. Increase in Current Assets (Excluding Cash and Invested Idle Funds)		
22. Increase in Other Assets.....		
23. Decrease in Current Liabilities (Excluding Dividends).....		
24. Decrease in Other Liabilities.....		
25. Decrease in Long-Term Debt:		

a. Due to or Guaranteed by SBA	
b. Due to Others	
26. Payment of Dividends	
27. Redemption of Stock	
28. Total Funds Used	
29. Ending Cash and Invested Idle Funds Position	\$

Note.—Unrealized Gain (Loss) on Securities Held is not reflected in the above statement as it has no effect upon source or application of funds. All increases and decreases from the balance sheet in the above schedule are net after the deduction of non-cash items EXCEPT THE NON-CASH ITEMS REPORTED ON LINE 3 ABOVE. Furnish a schedule of non-cash items for each applicable category.

F. Statement of Changes in Financial Position for Corporations

The Statement of Change in Financial Position is to be inclusive of all changes in financial position resulting from transactions. However, the statement does not include changes in unrealized gains (loss) on securities held which are based on subjective determinations by the Board of Directors and not based on transactions. The objectives of this statement are (1) to summarize the extent to which the licensee has generated cash and invested idle funds and (2) to complete the disclosure of changes in financial position during the period.

The following description by line item explains how the amounts on the Statement of Changes in Financial Position are developed.

Item 1, Beginning Cash and Invested Funds Position—The total of line item 14, Cash, and line item 15, Invested Idle Funds Assets, as reported on Form 468 at the end of the prior fiscal period.

Funds were Provided From:

Item 2, Net Investment Income (Loss)—Enter the amount shown on line 33 of the Statement of Operations Realized.

Item 3, Depreciation, Amortization, Provision for Loss on Receivables—Enter the total of amounts shown in line items 24 and 28 of the Statement of Operations Realized and the amount of account 672 included in item 29 of the Statement of Operations Realized.

Item 4, Realized Gain (Loss) on Sale of Securities—Enter the amount shown on line 38 of the Statement of Operations Realized.

Item 5, Decrease in Portfolio Securities—Enter the amount of net change in Item 4, Cost column of the Statement of Financial Position if that amount is a decrease during the period. Do not include current maturities.

Item 6, Decrease in Assets Acquired—Enter the amount of net change in Item 7, Cost column of the Statement of Financial Position if that amount is a decrease during that period. Do not include current maturities.

Item 7, Decrease in Operating Concerns Acquired—Enter the amount of net change in Item 8, Cost column of the Statement of Financial Position if that amount is a decrease during the period. Do not include current maturities.

Item 8, Decrease in Other Securities—Enter the amount of net change in Item 9, Cost column of the Statement of Financial Position if that amount is a decrease during the period. Do not include current maturities.

Item 9, Decrease in Current Assets (Excluding Cash and Invested Idle Funds)—Enter the amount of net change in Items 16 through 23 of the Statement of Financial Position if that amount is a decrease during that period.

Item 10, Decrease in Other Assets—Enter the amount of net change in Items 13, 24 and 25 of the Statement of Financial Position if that amount is a decrease during the period.

Item 11, Increase in Current Liabilities—Enter the amount of net change in Items 30 through 35 of the Statement of Financial Position if that amount is an increase during the period.

Item 12, Increase in Other Liabilities—Enter the amount of net change in Items 37, 38 and 39 of the Statement of Financial Position if that amount is an increase during the period. Do not include the amount of account 448.

Item 13(a), Due to or Guaranteed by SBA—Enter the amount of net change in Item 27 of the Statement of Financial Position if that amount is an increase during the period.

Item 13(b), Due Others—Enter the amount of net change in Item 28 of the Statement of Financial Position if that amount is an increase during the period.

Item 14, Sale of Licensee's Stock—Enter that amount of net change in Items 41 through 44 of the Statement of Financial Position if that amount is an increase during the period and the licensee is a corporation.

Item 15, Total Funds Provided—Enter the total of Items 2 through 14 of the Statement of Change in Financial Position.

Item 16, Total Funds Available—Enter the total of Items 1 and 16 of the Statement of Change in Financial Position.

Item 17, Increase in Portfolio Securities—Enter the amount of net change in Item 4 of the Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 18, Increase in Assets Acquired—Enter the amount of net change in Item 7, Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 19, Increase in Operating Concerns Acquired—Enter the amount of net change in Item 8, Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 20, Increase in Other Securities—Enter the amount of net change in Item 9, Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 21, Increase in Current Assets (Excluding Cash and Invested Idle Funds)—Enter the amount of net change in Items 16 through 23, of the Statement of Financial Position if that amount is an increase during the period.

Item 22, Increase in Other Assets—Enter the amount of net change in Items 13, 24 and 25 of the Statement of Financial Position if that amount is an increase during the period.

Item 23, Decrease in Current Liabilities (Excluding Dividends)—Enter the amount of net change in Items 30 through 35 of the Statement of Financial Position if that amount is a decrease during the period.

Item 24, Decrease in Other Liabilities—Enter the net amount of change in Items 37, 38 and 39 of the Statement of Financial Position if that amount is a decrease during the period. Do not include the amount of account 448.

Item 25(a), Due or Guaranteed by SBA—Enter the net amount of change in Item 27 of the Statement of Financial Position if that amount is a decrease during the period.

Item 25(b), Due Others—Enter the net amount of change in Item 28 of the Statement of Financial Position if that amount is a decrease during the period.

Item 26, Payment of Dividends—Enter the amounts shown in accounts 360 through 364.

Item 27, Redemption of Stock—Enter the amount of net change in Items 41 through 44 of the Statement of Financial Position if that amount is a decrease during the period.

Item 28, Total Funds Used—Enter the sum of Items 17 through 27 of the Statement of Change in Financial Position.

Item 29, Ending Cash and Invested Idle Funds Position—Subtract Item 28 from Item 16. The balance will equal the sum of Items 14 plus 15 of the Statement of Financial Position.

(Use Only If Licensee Is a Corporation)

Licensee:

License Number:

Statement of Unrealized Gain (Loss) on Securities Held for ——— Months
Ended

	(1) Beginning balance	(2) Ending balance	(3) (2)-(1) Net Changes
Unrealized Appreciation:			
1. Portfolio Securities			
2. Assets Acquired in Liquidation of Portfolio Securities			
3. Operating Concerns Acquired			
4. Other Securities			
5. Total (Note 1)			
Unrealized Depreciation:			
6. Portfolio Securities			
7. Assets Acquired in Liquidation of Portfolio Securities			
8. Operating Concerns Acquired			
9. Other Securities			
10. Total			
11. Unrealized Appreciation (Net of Depreciation) on Securities Held before fees paid on gains or income taxes			
12. Less Provision for Taxes			
13. Unrealized Gain (Loss) on Securities Held (Note 2)			

Note (1) Disclose by footnote the amount of any potential fees that would be due on the amount shown on line 5 if the amount of unrealized appreciation were to be realized.

Note (2) Do not compute tax effect if line 11 is a loss.

Realized Loss Experience on Receivables, Loans and Investments

[Dollars Rounded to the Nearest Thousand]

Description	Current year loss
Notes, Accounts and Accrued Interest Receivable	
Loans	
Debt Securities	
Equity Interests	
Assets Acquired in Liquidation of Portfolio Securities	
Operating Concerns Acquired	
Other Securities	
Total	

G. Statement of Unrealized Gain (Loss) on Securities Held

This statement summarizes the results of the valuation process of securities held as of the statement date as compared to the previous statement date and discloses the net change in the Unrealized Gain (Loss) on Securities Held.

The types of securities held are the primary groupings of loans and investments as set forth in items 1 through 10 of the Statement of Financial Position and are (1) Portfolio Securities, (2) Assets Acquired in Liquidation of Portfolio Securities, (3) Operating concerns acquired, and (4) other securities.

In arriving at net unrealized gain (loss) on securities held, consideration must be given to unrealized appreciation (valuation above cost) and unrealized depreciation (valuation below cost) of such securities. After adjusting the net unrealized appreciation (depreciation)

for the appropriate tax effect, the remaining amount will represent unrealized gain (loss) on securities held.

Items 1 through 11 are without the estimated tax effect.

Item—the amount shown in column 3 Item 4 of the Statement of Financial Position.

Item 2—the amount shown in column 3 Item 7 of the Statement of Financial Position.

Item 3—the amount shown in column 3 Item 8 of the Statement of Financial Position.

Item 4—the amount shown in column 3 Item 9 of the Statement of Financial Position.

Item 5—the amount shown in column 3 Item 10 of the Statement of Financial Position.

Item 6—the amount shown in column 2 Item 4 of the Statement of Financial Position.

Item 7—the amount shown in column 2 Item 7 of the Statement of Financial Position.

Item 8—the amount shown in column 2 Item 8 of the Statement of Financial Position.

Item 9—the amount shown in column 2 Item 9 of the Statement of Financial Position.

Item 10—the amount shown in column 2 Item 10 of the Statement of Financial Position.

Item 11—Item 5 minus Item 10.
Item 12 will be the estimated taxes that would be due.

Caution Do Not Compute a Tax Benefit if Item 13 is a Net Unrealized Depreciation

Realized Loss Experience on Receivables, Loans and Investments.

Furnish in this schedule by categories shown, the amount of loss experienced on loans and investments as well as receivables resulting from income realization. The loss experience will be the actual loss experience during the current period. The amounts shall be rounded to the nearest thousand.

Name of Licensee
License Number

(Use Only if Licensee is a Partnership)

Statement of Financial Position (continued) as of _____

Liabilities and Capital

Long-Term Debt (Net of Current Maturities):

27. Notes and Debentures Payable to or Guaranteed by SBA

28. Notes and Debentures Payable to Others

29. Total.....			
Current Liabilities:			
30. Accounts Payable and Accounts Payable Due Parent.....			
31. Accrued Interest Payable.....			
32. Accrued Taxes Payable.....			
33. a. Current Maturities of Line 27.....			
b. Current Maturities of Line 28.....			
34. Distributions Payable.....			
35. Other Current Liabilities.....			
36. Total.....			
Other Liabilities:			
37. Trust Receipts.....			
38. Deferred Credits.....			
39. Other Liabilities.....			
40. Total Liabilities.....			
	General Partner(s)	Limited Partner(s)	Combined
Partnership Capital:			
41. Partners' Permanent Capital Contributed.....			
42. Unrealized Gain (loss) on Securities Held.....			
43. Non-Cash Gains/Income (Note 1).....			
44. Undistributed Net Realized Earnings (Earned Capital).....			
45. Total Partners' Capital.....			
46. Total Liabilities and Capital.....			

(Note 1) Note to Item 43 should show (a) amount of non-cash gains on sale of securities and (b) income from investments reported on the equity method of accounting.

Item 27, Notes and Debentures Payable to or Guaranteed by SBA—Show the aggregate of balances in accounts 300, 301 and 310.

Item 28, Notes and Debentures Payable to Other—Show the aggregate of balances in accounts 311, 312, 313 and 320.

Item 29, Total—Show the aggregate of Items 27 and 28.

Item 30, Accounts Payable—Show the balance of account 340.

Item 31, Accrued Interest Payable—Show the balance of account 350.

Item 32, Accrued Taxes Payable—Show the aggregate of balances in accounts 351 and 354.

Item 33(a), Current Maturities of Line 27—Show the balance of account 330.

Item 33(b), Current Maturities of Line 28—Show the balance of account 331.

Item 34 for Partnerships, Partnership Distributions Payable and Accounts Payable Due Partners—Show the aggregate of balances 365 through 369.

Item 35, Other Current Liabilities—Show the balance of account 358.

Item 36, Total—Show the aggregate of Items 30 through 35.

Item 37, Trust Receipts—Show the aggregate of balances in accounts 370, 374 and 378.

Item 38, Deferred Credits—Show the balances of accounts 380 and 383.

Item 39, Other Liabilities—Show the balance of account 390.

Item 40, Total Liabilities—Show the aggregate of Items 29 and 36 through 39.

The following accounts are applicable only to partnership licensees and are to be

reported on the Statement of Financial Position for partnerships.

Item 41, Partner's Permanent Capital Contributions—Show the balances in accounts 470 through 476.

Item 42, Unrealized Gain (Loss) on Securities Held—Show the aggregate of balances of accounts 440 less 445.

Item 43, Non-Cash Gain/Income—Show the balance of accounts 450 and 468.

Item 44, Undistributed Net Realized Earnings—Show the balance in accounts 493 through 496.

Item 45, Total Partners Capital—Show the totals of Item 41 through 44.

Item 46, Total Liabilities and Capital—Show the total of Item 40 plus Item 45.

Name of Licensee.....
License Number.....

(Use Only if Licensee is a Partnership)

Computation of Earnings Available For Distribution to Partners or Capitalization

Note.—Retained earnings available for distribution to partners and/or capitalization in accordance with SBA Regulations is computed as follows:

Undistributed Net Realized Earnings—Line 44.....	\$
Less: Allowance For Loss on Loans and Investments.....	
Retained Earnings Available For Distribution or Capitalization.....	\$

Statement of Undistributed Realized Earnings Lines 43 and 44

Description	Non-Cash Gains/Income 43	Undistributed Net Earnings 44	Total 45
1. Beginning Balance			
2. Additions:			
a. Net Investment Income			
b. Realized Gain (Loss) on Sale of Securities			
c. Non-cash Gains on Distributions In Kind (Note 1)			
d.			
e. Total Additions			
3. Adjust: Collections of Non-cash Gain	{ }		////////
4. Total (Lines 1, 2, 3)			
5. Deductions:			
a. Distributions—Cash	////////		
b. Distributions—In Kind (Note 2)			
c.			
d. Total Deductions			
6. Ending Balance			
(Note 1) Read instructions carefully:			
(Note 2) Name of SBC			
Description of assets being distributed			

H. Statement of Undistributed Realized Earnings (Part.)

This statement is designed to analyze the activity in undistributed realized earnings by non-cash gains on sale of securities and undistributed net earnings realized. The ending balances of this statement are the same as items 43 and 44 on the Statement of Financial Position.

Column 1: Non-Cash Gains activity can be determined by reviewing account 450.

Column 2: Undistributed Net Earnings activity can be determined by reviewing account 451.

1. *Beginning Balance*—In column 1, show the beginning balances of accounts 450 and 468 in column 2, show the beginning balance

of account 451. These amounts should agree with the ending balances shown on the statement for the prior period.

2. (a) *Net Investment Income*—State as undistributed net earnings that amount shown as item 31 on the Statement of Operations Realized.

(b) *Realized Gain (Loss) on Sale of Securities*—Show the balances in accounts 466 and 467.

(c) *Non-Cash Gains on Distributions In Kind*—In column 1 report the amount of unrealized gains on any distributions in kind during the period covered by this report.

3. *Adjustments: Collections of Non-Cash Gains*—Will be a decrease in column 1 "Non-Cash Gains" and will be an increase in column 2 "Undistributed Net Earnings."

4. *Total*—Aggregate of lines 1, 2, & 3.

5. *Deductions:*

(a) *Distributions to Partners*—are to be paid out of undistributed earnings only. Therefore, distributions will be entered in column 2.

(b) *Dividends In Kind*—Column 1 show the amount of non-cash gain reported in column 1 Item 2(c). In column 2 show the cost of the asset being distributed. The total is the value as reported for the asset on the SBA Form 468 immediately prior to the distribution.

6. *Ending Balance*—Is determined by subtracting 5(d) "Total Deductions" from item 4 which represents the beginning balance plus additions.

(Use Only if Licensee is a Partnership)

Name of Licensee.....
License Number.....

Statement of Operations Realized For _____ Months Ended _____

Investment Income:

1. Interest on Loans and Debt Securities		
2. Dividend Income		
3. Income from Investments Reported on the Equity Method of Accounting		
4. Management Services		
5. Application and Other Fees		
6. Interest on Invested Idle Funds		
7. Income from Assets Acquired in Liquidation of Loans and Investments (Net of \$ _____ Expenses)		
8. Other Income (Note 1)		
9. Gross Investment Income (Note 1)		

Expenses:

10. Interest on Long-term Debt		
11. Commitment Fees		
12. Other Financial Costs		
13. Partners' Salaries		
14. Employee Salaries		
15. Employee Benefits		
16. Investment Advisory and Management Services		
17. General and Limited Partners' Meetings		
18. Advertising & Promotion		
19. Appraisal & Investigation		
20. Communication		
21. Legal Fees		
22. Travel Expense		
23. Cost of Space Occupied		
24. Depreciation and Amortization Expense		
25. Audit and Examination Fees		

26. Insurance Expense.....		
27. Taxes Expense.....		
28. Provision for Losses on Accounts Receivables.....		
29. Miscellaneous Expenses*.....		
30. Total Expenses.....		
31. Net Investment Income.....		
Realized Gain (Loss) on Sale of Securities:		
32. Net Sale Price.....		
33. Cost of Securities Sold.....		
34. Realized Gain (Loss) on Sale of Securities.....		

(Note 1) Give supporting details on items 8 and 29.

I. Statement of Operations Realized—Partnerships

This statement is designed to measure separately Net Investment Income and Realized Gain (Loss) on Sale of Securities. Such measurement is of realized operations only and is on the accrual basis of accounting.

1. *Net Investment Income*—is the result of measuring revenue and expense associated with investment and management assistance activities of a licensee other than realized gain (loss) on securities sold. Revenue is organized by source; i.e., from portfolio, from services provided, or from other sources.

2. *Realized Gain (Loss) on Sale of Securities*—is a function of operations that is measured separately from Net Investment Income. While the Statement of Realized Gain (Loss) on Sale of Securities provides a detailed analysis of realized gain or losses, the Statement of Operations shows in the aggregate, net sales price of securities sold during the period, the cost of such securities sold, the remainder becomes net realized gain (loss) on sale of securities.

Although an allowance for loss on securities may be established for valuation and in some cases tax purposes, such allowances when provided are not reflected as an expense in measuring investment income. Rather, they are measured in the Statement of Unrealized Gain (Loss) on Securities Held as a component of unrealized depreciation which is an offset against unrealized appreciation. For this reason, the entire loss is reported in this statement when realized and the allowance for loss on the security is reduced by the amount of allowance previously established.

3. *Description by Line Item*—The following is a description by line item as to how the amounts shown on the Statement of Operations Realized are developed.

a. *Investment Income*—the amounts shown in items 1 through 35 of this statement are derived primarily from the general ledger accounts as follows:

Item 1, *Interest on Loans and Debt Securities*—Show the aggregate of balances in accounts 512, 516 and 541.

Item 2, *Dividend Income*—Show balance of account 540.

Item 3, *Income From Investments Reported The Equity Method of Accounting*—Show the balance of account 542.

Item 4, *Management Services*—Show the balance of account 532.

Item 5, *Application and Other Fees*—Show the aggregate of balances in accounts 500, 534 and 536.

Item 6, *Interest on Invested Idle Funds*—Show the balance of account 510.

Item 7, *Income From Assets Acquired in Liquidation of Portfolio Securities*—Show the balance of account 582 net of the balance of account 710. Also, show the balance of account 710 parenthetically.

Item 8, *Other Income*—Show the aggregate of balance in accounts 520 and 584.

Item 9, *Gross Investment Income*—Show the aggregate of Items 1 through 8.

Item 10, *Interest on Long-term Debt*—Show the aggregate of balances in accounts 610 and 622.

Item 11, *Commitment Fees*—Show the balance of account 600.

Item 12, *Other Financial Costs*—Show the balance of account 642.

Item 13, *Partners Salaries*—Show the balance of account 663-1.

Item 14, *Employee Salaries*—Show the balance of account 663-2.

Item 15, *Employee Benefits*—Show the balance of account 670.

Item 16, *Investment Advisory and Management Service*—Show the balance of account, 659 and 660.

Item 17, *General and Limited Partners' Meetings*—Show the balance of account 657-2.

Item 18, *Advertising and Promotion*—Show the balance of account 650.

Item 19, *Appraisal and Investigation*—Show the balance of account 651.

Item 20, *Communication*—Show the balance of account 653.

Item 21, *Legal Fees*—Show the balance of account 661.

Item 22, *Travel Expense*—Show the balance of account 665.

Item 23, *Cost of Space Occupied*—Show the balance of account 654.

Item 24, *Depreciation & Amortization Expense*—Show the aggregate of balances in accounts 655 and 656.

Item 25, *Audit and Examination Fees*—Show the balance of account 652.

Item 26, *Insurance Expense*—Show the balance of account 658.

Item 27, *Taxes Expense (Excluding Income Taxes)*—Show the balance of account 664.

Item 28, *Provision for Losses on Receivables*—Show the balance of account 680.

Item 29, *Miscellaneous Expenses*—Show the aggregate of balances in accounts 672, 679, and 715.

Item 30, *Total Expenses*—Show the aggregate of Items 10 through 29.

Item 31, *Net Investment Income*—Show the balance of amount of Item 9 less Item 30.

b. *Realized Gain (Loss) on Sale of Securities*—

Item 32, *Net Sales Price*—Show Net Sales Price.

Item 33, *Cost of Securities Sold*—Show cost.

Item 34, *Net Realized Gain (Loss) on Sale of Securities*—Line 32 minus 33.

Analysis of Partners' Permanent Capital Contribution and Computation of Regulatory Capital

	General partner(s)	Limited partner(s)	Total
Permanent Capital Contribution:			
1. Balance at Beginning of Fiscal Year.....			
2. Additions:			
(a) Cash Contributions.....			
(b) Undistributed Net Realized Earnings Contributed to Permanent Capital.....			
(c) Permanent Capital Contributed for Services Rendered*.....			
(d) Permanent Capital Contributed for Other than Cash and Services*.....			
(e) Other Credits*.....			
3. Total Additions (The sum of Items 2(a) through 2(e)).....			
4. Subtotal (Line 1 plus Line 3).....			

Analysis of Partners' Permanent Capital Contribution and Computation of Regulatory Capital—Continued

	General partner(s)	Limited partner(s)	Total
5. Deductions:			
(a) Complete Liquidation of Partners' Interest*			
(b) Partial Liquidation of Partners' Interest*			
(c) Partial Liquidation of All Partners' Interests*			
(d) Other Debits*			
6. Total Deductions (The sum of Items 5(a) through 5(d))			
7. Balance at End of Fiscal Year			
Computation of Regulatory Capital for Leverage Purposes:			
8. Regulatory Deductions: (Note 1)			
(a) Organization Expense (Note 2)			
(b) Permanent Capital Contributed for Services			
(c) Permanent Capital Contributed for Other than Cash or Services			
(d) Other Non-monetary Items			
(e) Investment in 301(d) Licensee			
(f) Other*			
9. Total Regulatory Deductions (The sum of Items 8(a) through 8(f))			
10. Regulatory Capital for Leverage Purposes (Line 7 Minus Line 9)			
Computation of Regulatory Capital for Overline Purposes:			
11. Net Unrealized Gains as Defined by Section 107.301(b) of the Regulations (Note 3)			
12. Regulatory Capital for Overline Purposes			

* Give complete details of these items by means of footnotes.

Note 1.—The deductions listed in Items 8(b), 8(c), 8(d) and 8(f) are the total amounts of these items from time or organization to the end of the reporting period.

Note 2.—If the amount of cash contributed for the organization expense was never credited to Permanent Capital, it should be so stated and explained by a footnote.

Note 3.—Licensees who rely on this section to increase the amount of their overline limitation will submit an addition to this schedule detailing the following information:

1. Name of small business concern.
2. Market in which traded.
3. Class of security.
4. Cost.
5. Value.
6. Amount of unrealized appreciation.
7. The total amount of unrealized appreciation on the securities listed.
8. The other adjustments required by Section 107.303(b).
9. The net amount reported on line 11 of Statement of Unrealized Gains (Loss).
10. Name of market makers.

Analysis of Partners' Permanent Capital Contributions and Computation of Regulatory Capital

Line 1 Enter the amount shown on Form 468 as the balance at the end of the prior fiscal period.

Line 2(a) Cash Contributions—Enter the amount of cash contributed to Permanent Capital during the year.

Line 2(b) Undistributed Net Realized Earnings Contributed to Permanent Capital—Enter the amount transferred from

Undistributed Net Realized Earnings to Permanent Capital during the year.

Line 2(c) Permanent Capital Contributed for Services Rendered—Enter the amount of services rendered which was credited to permanent capital.

Line 2(d) Permanent Capital Contributed for Other than Cash or Services—Enter the amount credited to permanent capital and explain in detail by a footnote.

Line 3 Total Additions—Enter the total of lines 2(a) through 2(e).

Line 4 Subtotal—Enter the sum of lines 1 and 3.

Line 5(a) Complete Liquidation of Partner's Interest—Enter the amount of the interest of the partner whose capital is being liquidated.

Line 5(b) Partial Liquidation of Partner's Interest—Enter the amount of interest of the partner whose permanent capital is being partially liquidated.

Line 5(c) Partial Liquidation of All Partners' Interests—Enter the amount of interest of all partners that is being liquidated. In a footnote state whether SBA has approved of the partial liquidation and whether the liquidation is one of a series leading to a complete liquidation. This line should be used when there is a pro-rata liquidation of "all" partners interests. All means "substantially all" in terms of dollar value of the partners' Permanent Capital by class.

Line 5(d) Other Debits—Enter the amount of the other debits.

Line 6 Total Deductions—Enter the total of lines 5(a) through 5(d).

Line 7 Balance at the End of Fiscal Year—Subtract line 6 from line 4.

Line 8(a) Organization Expense—Enter the amount of organization expense whether or not amortized.

Line 8(b) Permanent Capital Contributed for Services—Enter the amount credited to Permanent Capital for Services since date of organization.

Line 8(c) Permanent Capital Contributed for Other than Cash or Services—Enter the amount credited to Permanent Capital for assets other than cash or services since date of organization. At such time as the asset is converted to cash, the amount of cash received maybe considered to be a cash contribution to Permanent Capital. An adjustment to Permanent Capital may be necessary when the asset is converted to cash.

Line 8(d) Other Non-monetary Items—Enter the amount of other non-monetary items credited to Permanent Capital since date of organization.

Line 8(e) Investment in 301(d) Licensee—Enter the amount of investment in 301(d) licensee.

Line 8(f) Other—Enter the amount of other credits to Permanent Capital since date of organization.

Line 9 Total Regulatory Deductions—Enter the sum of lines 8(a) through 8(f).

Line 10 Regulatory Capital for Leverage Purposes—Subtract line 9 from line 7.

Line 11 Net Unrealized Gains as defined by § 107.303(b)—Go to Note 3, prepare the necessary information and enter the result here.

Line 12 Regulatory Capital for Overline Purposes—Add line 11 to line 10 and enter.

(Use Only if Licensee Is a Partnership)

Name of Licensee:

License
No.

Statement of Changes in Financial Position For _____ Months Ended _____

1. Beginning Cash and Invested Funds Position	\$
Fund Were Provided From:	
2. Net Investment Income	\$
3. Depreciation, Amortization, Provision for Loss on Receivables	
4. Realized Gain (Loss) on Sale of Securities	
5. Decrease in Portfolio Securities	
6. Decrease in Assets Acquired	
7. Decrease in Operating Concerns Acquired	
8. Decrease in Other Securities	
9. Decrease in Current Assets (Excluding Cash and Invested Idle Funds)	
10. Decrease in Other Assets	
11. Increase in Current Liabilities	
12. Increase in Other Liabilities	
13. Increase in Long-Term Debt:	
a. Due to or Guaranteed by SBA	
b. Due to Others	
14. Sale of Additional Partnership Interests	
15. Total Funds Provided	\$
16. Total Funds Available	\$
Funds Were Used for:	
17. Increase in Portfolio Securities	
18. Increases in Assets Acquired	
19. Increase in Operating Concerns Acquired	
20. Increase in Other Securities	
21. Increase in Current Assets (Excluding Cash and Invested Idle Funds)	
22. Increase in Other Assets	
23. Decrease in Current Liabilities (Excluding distributions to Partners)	
24. Decrease in Other Liabilities	
25. Decrease in Long-Term Debt:	
a. Due to or Guaranteed by SBA	
b. Due to Others	
26. Distributions to Partners	
27. Redemption of Partnership Interests	
28. Total Funds Used	
29. Ending Cash and Invested Idle Funds Position	\$

Note.—Unrealized Gain (Loss) on Securities Held is not reflected in the above statement as it has no effect upon source or application of funds. All increases and decreases from the balance sheet in the above schedule are net after the deduction of non-cash items EXCEPT THE NON-CASH ITEMS ON LINE 3 ABOVE. Furnish a schedule of non-cash items for each applicable category.

1. Statement of Change in Financial Position for Partnership

The Statement of Change in Financial Position is to be inclusive of all changes in financial position resulting from transactions. However, the statement does not include changes in unrealized gains (loss) on securities held which are based on subjective determinations by the General Partner(s) and not based on transactions. The objectives of this statement are (1) to summarize the extent to which the licensee has generated cash and invested idle funds and (2) to complete the disclosure of changes in financial position during the period.

The following description by line item explains how the accounts on the Statement of Changes in Financial Position are developed.

Item 1, Beginning Cash and Invested Funds Position—The total of line item 14, Cash, and line item 15, Invested Idle Funds Assets, as reported on Form 468 at the end of the prior fiscal period.

Funds were Provided From:

Item 2, Net Investment Income (Loss)—Enter the amount shown on line 31 of the Statement of Operations Realized.

Item 3, Depreciation, Amortization, Provision for Loss on Receivables—Enter the total of amounts shown in line items 24 and 28 of the Statement of Operations Realized and the amount of account 672 included in Item 29 of the Statement of Operations Realized.

Item 4, Realized Gain (Loss) on Sale of Securities—Enter the amount shown on line 33 of the Statement of Operations Realized.

Item 5, Decrease in Portfolio Securities—Enter the amount of net change in Item 4, Cost column of the Statement of Financial Position if that amount is a decrease during the period. Do not include current maturities.

Item 6, Decrease in Assets Acquired—Enter the amount of net change in Item 7, Cost column of the Statement of Financial Position if the amount is a decrease during the period. Do not include current maturities.

Item 7, Decrease in Operating Concerns Acquired—Enter the amount of net change in Item 8, Cost column of the Statement of Financial Position if that amount is a decrease during the period. Do not include current maturities.

Item 8, Decrease in Other Securities—Enter the amount of net change in Item 9, Cost column of the Statement of Financial

Position if that amount is a decrease during the period. Do not include current maturities.

Item 9, Decrease in Current Assets (Excluding Cash and Invested Idle Funds)—Enter the amount of net change in Items 16 through 23 of the Statement of Financial Position if that amount is a decrease during the period.

Item 10, Decrease in Other Assets—Enter the amount of net change in Items 24 and 25 of the Statement of Financial Position if that amount is a decrease during the period.

Item 11, Increase in Current Liabilities—Enter the amount of net change in Items 30 through 35 of the Statement of Financial Position if that amount is an increase during the period.

Item 12, Increase in Other Liabilities—Enter the amount of net change in Items 37, 38 and 39 of the Statement of Financial Position if that amount is an increase during the period. Do not include the amount of account 448.

Item 13(a), Due to or Guaranteed by SBA—Enter the amount of net change in Item 27 of the Statement of Financial Position if that amount is an increase during the period.

Item 13(b), Due Others—Enter the amount of net change in Item 28 of the Statement of Financial Position if that amount is an increase during the period.

Item 14, Sale of Additional Partnership Interests—Enter the amount of net change in Item 41 of the Statement of Financial Position if that amount is an increase during the period and the licensee is a partnership.

Item 15, Total Funds Provided—Enter the total of Items 2 through 14 of the Statement of Change in Financial Position.

Item 16, Total Funds Available—Enter the total of Items 1 and 15 of the Statement of Change in Financial Position.

Item 17, Increase in Portfolio Securities—Enter the amount of net change in Item 4 of the Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 18, Increase in Assets Acquired—Enter the amount of net change in Item 7, Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 19, Increase in Operating Concerns Acquired—Enter the amount of net change in

Item 8, Cost of the Statement of Financial Position if that amount is an increase during the period.

Item 20, Increase in Other Securities—Enter the amount of net change in Item 9, Cost column of the Statement of Financial Position if that amount is an increase during the period.

Item 21, Increase in Current Assets (Excluding Cash and Invested Idle Funds)—Enter the amount of net change in Items 16 through 23, of the Statement of Financial Position if that amount is an increase during the period.

Item 22, Increase in Other Assets—Enter the amount of net change in Items 13, 24 and 25 of the Statement of Financial Position if that amount is an increase during the period.

Item 23, Decrease in Current Liabilities (Excluding Distributions to Partners)—Enter the amount of net change in Items 30 through 33 and Item 35 of the Statement of Financial Position if that amount is a decrease during the period.

Item 24, Decrease in Other Liabilities—Enter the net amount of change in Items 37, 38 and 39 of the Statement of Financial

Position if that amount is a decrease during the period. Do not include the amount of account 448.

Item 25(a), Due or Guaranteed by SBA—Enter the net amount of change in Item 27 of the Statement of Financial Position if that amount is a decrease during the period.

Item 25(b), Due Others—Enter the net amount of change in Item 28 of the Statement of Financial Position if that amount is a decrease during the period.

Item 26, Distribution to Partners—Enter the amount shown in accounts 365 through 369 of the Statement of Financial Position if that amount is a decrease during the period.

Item 27, Redemption of a Partnership Interests—Enter the amount of Item 41 of the Statement of Financial Position if that amount is a decrease during the period.

Item 28, Total Funds Used—Enter the sum of Items 17 through 27 of the Statement of Change in Financial Position.

Item 29, Ending Cash and Invested Idle Funds Position—Subtract Item 28 from Item 16. The balance will equal the sum of Items 14 plus 15 of the Statement of Financial Position.

(Use Only if Licensee is a Partnership)

Licensee:.....
Licensee No.

Statement of Unrealized Gain (Loss) on Securities Held for _____ Months Ended _____

	(1) Beginning balance	(2) Ending balance	(3) (2)-(1) Net changes
Unrealized Appreciation:			
1. Portfolio Securities			
2. Assets Acquired in Liquidation of Portfolio Securities			
3. Operating Concerns Acquired			
4. Other Securities			
5. Total (Note 1)			
Unrealized Depreciation:			
6. Portfolio Securities			
7. Assets Acquired in Liquidation of Portfolio Securities			
8. Operating Concerns Acquired			
9. Other Securities			
10. Total			
11. Unrealized Appreciation (Net of Depreciation) on Securities Held before fees to be paid on gains, if any.			

(Note 1) Disclose by footnote the following information: the amount of any potential fees that would be due on the amount shown on line 5 if the amount of unrealized appreciation were to be realized.

Realized Loss Experience on Receivables, Loans and Investments

(Dollars rounded to the nearest thousand)

Description	Current Year loss
Notes, Accounts and Accrued Interest Receivable	
Loans	
Debt Securities	
Equity Interests	
Assets Acquired in Liquidation of Portfolio Securities	
Operating Concerns Acquired	
Other Securities	
Total	

J. Statement of Unrealized Gain (Loss) on Securities Held

This statement summarizes the results of the valuation process of securities held as of the statement date as compared to the previous statement date and discloses the net change in the Unrealized Gain (Loss) on Securities Held.

The types of securities held are the primary groupings of loans and investments as set forth in items 1 through 10 of the Statement of Financial Position and are (1) Portfolio Securities, (2) Assets Acquired in Liquidation of Portfolio Securities, (3) Operating concerns acquired and (4) other securities.

In arriving at net unrealized gain (loss) on securities held, consideration must be given to unrealized appreciation (valuation above cost) and unrealized depreciation (valuation below cost) of such securities. After adjusting the net unrealized appreciation (depreciation)

for the appropriate tax effect, the remaining amount will represent unrealized gain (loss) on securities held.

Items 1 through 11 are without the estimated tax effect.

Item 1—the amount shown in column 3 Item 4 of the Statement of Financial Position.

Item 2—the amount shown in column 3 Item 7 of the Statement of Financial Position.

Item 3—the amount shown in column 3 Item 8 of the Statement of Financial Position.

Item 4—the amount shown in column 3 Item 9 of the Statement of Financial Position.

Item 5—the amount shown in column 3 Item 10 of the Statement of Financial Position.

Item 6—the amount shown in column 2 Item 4 of the Statement of Financial Position.

Item 7—the amount shown in column 2 Item 7 of the Statement of Financial Position.

Item 8—the amount shown in column 2 Item 8 of the Statement of Financial Position.

Item 9—the amount shown in column 2 Item 9 of the Statement of Financial Position.

Item 10—the amount shown in column 2 Item 10 of the Statement of Financial Position.

Item 11—Item 5 minus Item 10.

Realized Loss Experience on Receivables, Loans and Investments.

Furnish in this schedule by categories shown, the amount of loss experienced on loans and investments as well as receivables resulting from income realization. The loss experience will be the actual loss experience during the current period. The amounts shall be rounded to the nearest thousand.

This portion of statement is the basis for determining the loss experience of the industry.

Name of Licensee: _____

License Number: _____

Statement of Commitments and Guarantees as of _____

Description	Date made	Expiration date	Portfolio securities	Assets acquired	Operating concerns acquired
Commitments of funding					
Total.....					
Guarantees to others:					
Total.....					
Total commitments and guarantees outstanding					

L. Statement of Commitments and Guarantees.

This statement provides a schedule of outstanding commitments of the licensee to provide funds to small business concerns. It also shows by small business concern the amount of such concern's debt to a third party the licensee has guaranteed. Such amounts will be shown according to Portfolio Securities, Assets Acquired in Liquidation of Portfolio Securities, or operating concerns acquired.

The statement is completed as follows:

(a) Under Commitments of Funding, show the small business concern to whom the funds are committed. The amounts shown as commitments are derived from memorandum account CL-15.

(b) Under Guarantees to Others, show the name of the small business concern. The amounts shown as guarantees are derived from memorandum account CL-16.

Schedule 1

Name of Licensee: _____

License No. _____

Small Business Concern (Issuer) Name _____

Street Address _____

City _____

State _____

ZIP Code _____

SIC Code _____

Report for the months ended _____

Schedule of Investments

[In Dollars Only—No Cents]

[Including Participations Purchased and After Deduction of Participations Sold]

Description of investment	Loan debt equity	Pub PubRes NonPub NPres Vent SpPort	DelPri DelInt D P&I	Princip al balance of financ- ing at begin- ning of period	Addi- tions (deduc- tions) during period	Princi- pal balance of financ- ing at close of period	Market, or fair value as deter- mined by the board of direc- tors	Unreal- ized—appre- ciation/ (depre- ciation)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Schedule of Investments—Schedule 1

The Schedules of Investments will be prepared to show each investment by the licensee in each small business concern and indicate participations by the insertion of (P) immediately after the name of the investment. A description of each column follows:

Column 1. Show each investment giving the following details:

Loans: Date of Loan
Amount of Original Loan
Interest Rate
Maturity Date
Repayment Terms
Collateral

If regular repayments are scheduled give details.

Debt: Date of Initial Investment
Amount of Investment
Interest Rate
Maturity Date
Repayment Terms

Equity Features (Include percent of ownership or potential ownership)

Stock: Date of Initial Investment
Amount of Investment

Type of Investment—i.e., common, preferred, common with warrants/ options

Percent of Ownership
Equity Interest of Unincorporated SBC

Date of Initial Investment

Amount of Involvement

Percent of Ownership

How Share of Profit (Loss) Determined
Warrants, Options and Other Rights
Date of Initial Investment or Acquisition
Cost (if any)
Percent of Ownership Represented
Additional Cost to Exercise

Column 2:
Opposite each investment the appropriate letter should appear
L—Loan
D—Debt Security
E—Equity

Column 3:
Opposite each investment the appropriate letter(s) should appear
P—Public Traded
PR—Public Traded Restricted
N—Non-public
NR—Non-public—Restricted
V—Venture Capital
SC—Special Discretionary Portfolio

Column 4:
Definition of Delinquency: Any investment that a payment of principal and/or interest is 60 or more days past due.
Opposite each investment the appropriate letter should appear
DP—Delinquent as to Principal
DI—Delinquent as to Interest
DPI—Delinquent as to Principal and Interest

If the small business concern is delinquent in one or more of the licensee's investments an identification number should be assigned to the investment for identification on schedule 2.

Details of delinquent investments should be shown on Schedule 2, Schedule of Delinquencies.

Column 5:
Principal Balance at Beginning of Period.
Show balance at cost a beginning of fiscal period.

Column 6:
Additions (Deductions) During Period
Show change during fiscal period
Details of changes, except for regularly scheduled repayments of loans or debt should be explained by footnote

Column 7:
Principal Balance at Close of Period.
Show balance at close period.

Column 8:
Market of Fair Value as Determined by Board of Directors/General Partners.

Column 9:
Unrealized Appreciation (Depreciation)
Column 9 minus Column 8

The total of all investments in any small business concern appearing in column, 5, 6, 7, 8, and 9 should be shown, a line drawn and the investments in the next SBC shown.

Schedule

Name of Licensee: _____

License No. _____

Report for the _____ Months ended _____

Schedule of Delinquencies

Small business concern name	Balance beginning of period	Balance end of period	Prin Int	Amount of delinquency at end of fiscal period	Date of last payment	No. of Pays Delq	Description of collateral	Fair Market value of collateral
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Schedule of Delinquencies—Schedule 2

The schedule will give complete details of all investments reported as delinquent on Schedule 1, (Schedule of Investments, A separate line should be used to report an investment delinquent as to principal and interest in column 5, 6 and 7.

Column 1. Give name of small business concern.

Column 2. Give balance of investment at beginning of fiscal period.

Column 3. Give balance of investment at end of fiscal period.

Column 4. Insert P for principal and/or I for interest if investment is delinquent as to both principal and interest use separate lines in column 5, 6, and 7.

Column 5. Show the amount of delinquency at end of fiscal period.

Column 6. Show date of last payment.

Column 7. Show numbers of payments delinquent.

Column 8. If investment is collateralized describe collateral in sufficient detail for SBA to evaluate the fair market value of collateral.

Since various types of collateral may be offered, the amount of detail to be supplied

should be what "any reasonable person" would require.

9. Show the fair market value of the collateral as determined by the Board of Director/General Manager.

If any delinquencies existing at the balance sheet date have been resolved prior to issuance of Form 468 that fact should be appropriately noted in column 9 and the details of the manner in which the delinquency was resolved disclosed by a footnote on Schedule 2 or a separate sheet attached to Schedule 2.

Schedule 3.—Schedule of Changes in Operating Concerns Acquired

Name of SBC.....

Address..... Street Address..... City..... State.....

Description	Asset changes				Commitments and Guarantees	Total
	Loans	Debt securities	Equity**	Total		
1. Balance, Beginning of Period*						
2. Add: Cash Additions						
3. Non-cash Additions						
4. Total (Lines 2 and 3)						
5. Less: Cash Deductions						
6. Non-cash Deductions						
7. Total (Lines 5 and 6)						
8. Net Increase (Decrease) Line 4 minus 7)						
9. Balance End of Period (Line 1 plus 8 (at cost))						
10. Less: Unrealized Depreciation						
11. Lower of Cost or Value (Line 9 Minus 10)						
12. Add: Unrealized Appreciation						
13. Fair Value (Line 11 plus 12)						

*Balance at Beginning of Period is Net of Unearned Discounts, Fees, Etc.

**Give Details of Equity By Reference to Schedule 1.

If investment Has Been Sold, Show By Footnote—Cost—Sales Price—Gain—Cash Received—Non Cash Receipts.

Schedule of Changes in Operating Concerns Acquired—Schedule 3

A schedule 3 should be prepared for each small business concern acquired in which changes occurred.

Schedule 4

Name of Licensee.....

License Number.....

Participations (a) and Joint Financings as of _____, 19_____.

Name of small business concern (1)	LDE (2)	Original total amount of financing (b) (3)	Names of participating entities or those taking part in joint financing (identify initiating entity) (4)	Reporting company's outstanding principal balance of			Description of collateral showing percent applicable to each party and any preference to collateral (8)
				Participation purchased (b) (5)	Participation sold (b) (6)	Joint financing (b) (7)	

(a) A participation is defined as an undivided interest with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

(b) Show participations in, or joint financings pertaining to, capital stock or warrants or options at cost.

Participations and Joint Financings—Schedule 4

This schedule needs to be completed only for additions and changes that have occurred in the current year. If there has been no change in the participation since the last Annual Report Form 468 the participation should be indicated in Schedule I, Column 1 by the insertion of (P) immediately after name of the investment.

Show in this schedule the financings in which the reporting licensee participated as well as financings made jointly by the reporting licensee and one or more other

lenders or investors during the period or which were outstanding at any time during such period. Identify each item in column (1) name of the financed small business concern; indicate by appropriate letter in column (2) the type of financing (loan, debt security, stock, warrants, and options).

In column (3) show the original total amount contributed by all parties in the participation or joint financing. The name of such participating or joint financing entities (including the name of the reporting licensee) shall be shown in column (4) with appropriate indication as to which is the initiating (sponsoring) entity.

Show in column (5), (6), and (7), as appropriate, the reporting licensee's outstanding principal balance, or other cost, of participation purchased, participation sold, or joint financing, as of the close of the period covered in the report. Enter in column (8) a description of collateral pertaining to each financing, together with information as to the percentage applicable to each party and as to preferences agreed upon.

Cash and Invested Idle Funds—Schedule 5

Cash will be reported on Schedule 5(a) and Invested Idle Funds will be reported on Schedule 5(b).

Schedule 5—Cash

Name of Licensee..... License No..... Date..... 19.....

Schedule 5A—Cash

Name of depository (1)	Location of depository (2)	Amount (3)
1. General funds-demand balances with:		
(a)		
(b)		
(c)		
(d)		
(e)		
(f)		
(g)		
2. Deposits in imprest accounts with:		
(a)		
(b)		
(c)		
(d)		
(e)		
(f)		
(g)		
3. Other investments in insured institutions:		
(a)		
(b)		
(c)		
(d)		
(e)		
(f)		
(g)		
4. Cash items in process of collection	XXX	

Schedule 5A—Cash—Continued

Name of depository (1)	Location of depository (2)	Amount (3)
5. Petty cash.....	XXX	
6.....		
7.....		
8.....		
9.....		
10.....		
11. Total Cash.....	XXX	

Identify compensating balances by a footnote.

Cash—Schedule 5(a)

Show cash on hand and in general funds demand deposits; funds in imprest bank accounts. Demand deposits are balances subject to withdrawal without notice and

shall be in commercial banks which are members of the Federal Deposit Insurance Corporation. Cash items in process of collection represent those cash items which have been placed with banks for collection.

Petty cash shall represent the full amount of the petty cash imprest fund. The amount shown on line 11 should be the same amount reported on line 14 of the Statement of Financial Position.

Schedule 5 B.—Schedule of Invested Idle Funds

Name of License

License No.
Date 19

Schedule 5B-1.—U.S. Government Obligations, Direct and Fully Guaranteed

Name of issuer and title of issue (1)	Interest rate (2)	Call date (3)	Maturity date (4)	Principal at par (5)	Principal at cost (6)	Market value (7)
1.....						
2.....						
3.....						
4.....						
5.....						
6.....						
7.....						
8.....						
9.....						
10. Totals.....						

Schedule 5B-2.—Insured Savings, and Time Certificates of Deposit

Name of Location of Depository			Time Certificates of deposit	Interest rate	Insured savings balance	Time certificates of deposit balance
Insured Savings (1)						
	(2)	(3)			(4)	(5)
1.....						
2.....						
3.....						
4.....						
5.....						
6.....						
7.....						
8.....						
9.....						
10.....						
11.....						
12.....						
13.....						
14.....						
15.....						
16.....						

Schedule 5B-2.—Insured Savings, and Time Certificates of Deposit—Continued

Name of Location of Depository			Insured savings balance	Time certificates of deposit balance
Insured Savings	Time Certificates of deposit	Interest rate		
(1)	(2)	(3)	(4)	(5)
17. Totals.....				
18. Total Insured Savings and Time Certificates of Deposit (column (4) plus column (5) item 17).....				XXX
19. Total U.S. Government Obligations, Insured Savings, and Time Certificates of Deposit (item 18 plus total column (6) Schedule 5(b)(1)).....				XXX

Invested Idle Funds—Schedule 5(b)

Show in Schedule 5(b)(1) securities owned which have been issued or guaranteed by the U.S. Government, showing the name of the issuer and the title of each issue. Other required data, such as interest rate, call date, maturity date, and principal amount at par of bonds and notes, may be obtained by inspection of the securities or from records of securities pledged. The cost of the securities shall be shown in column (6) and the current market value thereof in column (7).

Show in Schedule 5(b) funds invested in insured savings accounts and funds on time

deposit evidenced by time certificates of deposit. Savings accounts shall be with institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. Time deposits shall include all time certificates of deposit held by the company in commercial banks which are members of the Federal Deposit Insurance Corporation.

The amount shown in Schedule 5(b)(2) line 19 represents invested idle funds and should be the same amount as shown on line 15 of the Statement of Financial Position.

The amounts contained in this schedule can be obtained for the accounts as follows:

In Schedule 5(a), item 1 is based on accounts 100 through 108, item 2 is based on accounts 100 through 112, item 3 is based on account 118, and item 4 is based on account 120.

Schedule 5(b)(1) is based on account 130.

In Schedule 5(b)(2), columns 1 and 4 are based on accounts 131 through 134, and column 2 and 5 are based on accounts 135 through 137.

In Column 3 enter the rate of interest.

Schedule 6

Name of Licensee.....
 License No.

**Schedule of Average Cash and Invested Idle Funds Balances on a Monthly Basis for Fiscal Year Ended _____
 and Determination of Inactivity**

Month and Year	(1) Cash	+	(2) Idle Funds	=	(3) Total
1.....					
2.....					
3.....					
4.....					
5.....					
6.....					
7.....					
8.....					
9.....					
10.....					
11.....					
12.....					
13. Totals.....					
14. Average Idle Funds (Line 13 column 3 ÷ 12).....					
15. Line 26 of statement of financial position value at cost.....					
16. Twenty-five percent of Line 15.....					
17. Is Line 16 larger than 14? Yes _____ No _____					
If Answer is Yes—Stop					
If Answer is No—Continue					
18. Twenty-five percent of Line 14					
19. Amount of financing during the past 18 months.....					
20. Is Line 19 larger than Line 18? Yes _____ No _____					
If Answer is Yes—Stop.					
If Answer is No—Licensee is Inactive.					

**Average Cash and Invested Idle Fund
 Balances on a Monthly Basis—Schedule 6**

This schedule is designed to measure cash or cash items available for investment and is a basis for measuring the licensee's level of activity.

A monthly average is to be computed which fairly represents cash and invested idle funds available during the month. The average amount of cash available can usually be obtained from the licensee's bank

statements. The average of invested idle funds is to be a "simple" average based on the number of days in the month and giving consideration to the liquidation value of such a short-term securities.

The schedule is to include the 12-month period prior to the statement date. Should there be cash or idle funds that are encumbered or restricted (compensating balances, pledged funds, etc.), such amounts will be eliminated.

The amounts contained in the schedule can be obtained from the accounts as follows:

Column 1, cash, is based on accounts 100 through 120.

Column 2, idle funds, is based on accounts 130 through 138.

If the computation as shown on Schedule 6 show the licensee to be inactive as defined by Regulation, licensee should attach a statement listing extenuating circumstances, if any exist.

Schedule 7

(Use Only if Licensee is a Corporation)

Name of Licensee: _____
 License No.: _____
 As of _____, 19____

Shareholders, Officers and Directors of the Licensee

Name and address	Officer, director, and manager give exact title	Title of class	Type of ownership	Amount owned		
				Number of shares	Total par or stated value	Percent owned of class outstanding
(1)	(2)	(3)	(4)	(5)	(6)	(7)
			X			
Totals by Class			X X			

Shareholders, Officers, and Directors of the Licensee—Schedule 7

Furnish in this schedule the information as required by the form regarding equity securities issued by the licensee and regarding the licensee's officers, directors and manager.

In column (1) list:

(a) Each person or company directly or indirectly owning, controlling, or holding with power to vote, 10 percent or more of the outstanding voting securities of the company.

(b) Each person or company owning of record or being known to own beneficially more than 10 percent of any other class of equity securities of the company.

(c) Each officer, director, or manager of the licensee. (List and identify officers and directors, and manager regardless of whether or not they own any equity securities of the company.)

Show in column (2) whether each natural person listed in column (1) is an officer, director, manager of the licensee or specific combination of any of the three and the total remuneration for the period received by each from the licensee. Column (3) shall show the title of each class of stock owned by any person or company and column (4) shall indicate whether the securities of the specific class are owned both of record and beneficially, of record only, or beneficially only.

In columns (5), (6), and (7), respectively, show the number of shares of each class owned by each listed person or company, the total par or stated value of such shares, and the percentage of the total number of shares of this class outstanding which is represented by the shares owned by the particular person or company.

Summarize the foregoing information by class of equity security at the bottom of the schedule.

Schedule 7

(Use Only If Licensee Is a Partnership)

Name of Licensee: _____

License No.: _____

As of _____, 19____

General Partners, Limited Partners and Advisory Directors of the Licensee

Name and address (1)	Officer, director, and manager* give exact title (2)	General or limited partner (3)	Type of ownership (4)	Amount owned		Percent owned of class outstanding (7)
				Percent of total partnership (5)	Total dollar value (6)	

* See Glossary for Definitions: Totals by class—General Partner X; Limited Partner X; Total X.

General Partners, and All Control Persons Whether Limited Partner, Advisory Director or Other Person—Schedule 7

Furnish in this schedule the information as required regarding the partnership interests of the licensee and licensee's partners. The definitions of Director and Executive Officer should be reviewed to insure that the Schedule is complete.

In Column 1 list:

(a) each person or company directly or indirectly owning or controlling a 10 percent or more partnership interest.

(b) each officer, director or manager of the licensee whether or not they own any partnership interest.

Show in column 2 whether any person listed in column 1 is an officer, director, manager of the licensee or specific combination of any of the three and the total remuneration for the period received by each from the licensee.

Column 3 shall show the type of partnership interest (general or limited) of each listed person.

Column 4 shall indicate whether the partnership interest is owned both of record and beneficially, of record only or beneficially only.

Column 5 will show the percent of total partnership interest owned.

Column 6 will show the total dollars of Partner's capital contribution.

Column 7 will show the percent owned of the total general partnership interest or the percent of the total limited partnership interests.

Management Certification

The Annual Report for Fiscal Year Ended _____, 19____ submitted by _____ (Licensee) to the Small Business Administration, and consisting of the Audited Financial Statements specified in SBA Form 468 (except those statements listed below which have been omitted) are hereby certified to be correct.

Date: _____
Chief Financial Officer: _____
Title: _____

Statements and Schedules Omitted: _____

Verification

I hereby attest that the minutes of the meeting of Board of Directors of _____ (Licensee) on _____, 19____, show that the Board at such meeting, reviewed and approved the Annual Report of such company for the Fiscal Year Ended _____, 19____, covered by the above certification of the chief financial officer.

Date: _____
Secretary: _____

Title 18, Sections 1001 and 1006 of the U.S. Code subjects to punishment by five and/or imprisonment any person who makes any oral or written statements, entry or representation to SBA, knowing it to be false, or willfully conceals a material fact, in a matter within SBA's jurisdiction or who with intent to defraud directly or indirectly shares any benefits derived from any act of an SBIC. Title 15, Section 645(a) subjects to punishment by fine and/or imprisonment any person making a false statement or willfully overvaluing security, for the purpose or obtaining for himself or another any loan, extension thereof, or the acceptance, release, or substitution of security therefore, or for the purpose of influencing in any way the action of SBA, or for the purpose of obtaining money or anything of value.

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I. Introduction

A. *Statement of Policy.* Small Business Investment Companies (SBICs) licensed by the Small Business Administration (SBA) including 301(d) licensees are to maintain their books of account in accordance with the system of account classification and accounting policies herein prescribed. Accounting principles and practices set forth herein are in accordance with generally accepted accounting principles for investment companies as set forth by the American Institute of Certified Public Accountants.

The system of account classification is adaptable to manual or machine accounting procedures employing the double-entry method of accounting, and is otherwise designed to meet the specific needs of companies licensed in accordance with the provisions of the Small Business Investment Act of 1958, as amended.

Nothing contained in this system of account classification can or is intended to authorize or approve any operation or action by a licensee, or any other action, not authorized or approved by the Small Business Investment Act of 1958, as amended, or the Rules and Regulations promulgated thereunder.

This system of Account Classification was prepared by the SBA. Any inquiries or comments relating to the system should be directed to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street, N.W., Washington, D.C. 20416.

B. *Purpose of the System.* This system has been prescribed to insure that standard books of account are maintained by licensees and that uniform accounting policies are followed. By design, the system is basic and may be expanded by a licensee if necessary.

C. *Maintenance and Retention of Records.* The licensee's books and records shall be maintained at its principal place of business. Books and records shall include its books of account, and other records, and memoranda which support the entries in its books of account. These supporting records shall be maintained in such manner as to be able readily to furnish information on any item included in any account. The books and records referred to herein include not only accounting records in a limited technical sense, but other records, such as minute books, capital stock records, reports, correspondence, and memoranda which may be useful in developing the history of, or facts regarding, any transaction.

Memorandum Accounts are included in the chart of accounts to facilitate record keeping of nominal assets, contingent liabilities, commitments to provide future financing (directly or through participations) and guarantees.

Section 107.1002 of SBA Rules and Regulations specifies the time period licensee's records are to be maintained.

II. Accounting Policies and Practices

As a general rule, accounting policies followed by licensees are those promulgated by the American Institute of CPAs as generally accepted accounting principles. Certain of these principles and practices are prescribed in the AICPA's Audit Guide for Investment Companies.

The significant accounting policies licensees are to follow are summarized below. The summary is intended to highlight the more important accounting policies and practices rather than being an all inclusive statement.

A. *Accrual Basis of Accounting.* Books of account shall be maintained on an accrual basis and, at the end of each month, transactions shall be posted to the General Ledger. Entering in the records and posting to the General Ledger of accruals applicable to each month is optional but all accruals are to be entered in the records and posted at the end of the fiscal year, and as of such other dates as mark the close of periods to be covered by interim or special financial reports required to be furnished to SBA.

B. *Accounting and Reporting Loans and Investments on the Value Basis.* Loans and investments will be recorded at cost. However, unrealized appreciation or depreciation of such securities will be recognized in the accounts and as such will result in fair value accounting for loans and investments.

The practice of valuing loans and investments and reflecting in the accounts the resulting unrealized gain (loss) on such securities held has been expressed by the American Institute of CPAs as being a generally accepted accounting practice for investment companies. Accordingly, this practice has been adopted for SBICs.

The adoption of this practice causes unrealized appreciation on loans and investments to be recognized in the accounts. Unrealized depreciation, essentially allowance for losses, has always been recognized. An appropriate tax provision will be established for net unrealized appreciation on securities held for all corporate SBICs. No provision for taxes is necessary for limited partnership SBICs.

C. *Equity Method of Accounting.* The carrying value of equity interests in unincorporated concerns will be determined by the equity method of accounting. However, for valuation purposes, the fair value of accounting will be used for the equity interest in unincorporated concerns.

The equity method of accounting will also apply to the investment in 301(d) licensees. Accordingly, an SBIC's investment account will be adjusted for its proportionate share of net income (loss) of such investee as well as dividends paid by the investee. The result will be an investment carried at the book value of such stock.

Income reported on the equity method of accounting will be reported as a non-cash item of income.

D. 1. *Management Consulting Subsidiary for Corporate SBICs.* According to Section 107.501(c) of SBA Regulations, consolidated financial statements are to be submitted to SBA when a licensee has a management consulting subsidiary, books of account are to be maintained for the subsidiary so as to properly account for its financial position and result of operations. Such accounts should also be compatible with this system of accounts.

Consolidated statements will include only the licensee and the management consulting subsidiary. Other subsidiaries are not to be reported on a consolidated basis.

2. *Management Consulting Company Investment of Limited Partnership SBICs.* Limited partnership, legally and technically, do not have subsidiaries. A limited partnership SBIC may have an investment in a management consulting company. It is required that in such cases the limited partnership SBIC will own 100 percent of the stock of the management consulting company. The investment in the management consulting company will be accounted for on the records of the limited partnership by the equity method. A combined balance sheet and statement of operations for the limited partnership SBIC and the management consulting company will be filed with SBA in addition to the annual report on SBA Form 468 and supporting schedules required for the limited partnership SBIC.

E. *Tax Allocation Policy.* Tax allocation policies as set forth in Accounting Principles Board Opinion No. 11, *Accounting for Income Taxes*, effective December 31, 1967, will be followed by licensees in accounting for income taxes.

A difference between the amount of gain or loss recognized for tax purposes and that recognized for accounting purposes may constitute a timing difference to be accounted for according to APB Opinion No. 11.

Such differences will result in either deferred credits or deferred charges to future income taxes.

The licensee and its accountant should also follow the current amendments and/or clarifications or interpretations to APB 11 which include FASB 37, FASB Interpretation 29 and FASB Technical Bulletin 82-1.

FASB Interpretation 29 is not an amendment of APB 11.

FASB Technical Bulletin 82-1 is not an amendment it is a clarification on disclosure only.

F. *Accounting for Dividend and Interest Income.*—1. *Dividend Income.*—As a general rule, cash dividends on investment securities are recorded as of the ex-dividend date. Occasionally, cash distributions represent a return of capital; under these circumstances the distributions should be credited to the investment account rather than to income.

Stock splits and dividends in stock of the same class as that owned, are not recorded as income since the Licensee's equity interest in the company declaring the dividend or split has not changed.

Dividends in kind are generally recorded as non-cash income at the fair value of the property received. When the recipient Licensee has the option to receive cash or stock, income should be recorded for the

amount of cash that could have been received. When stock rights are received, a portion of the cost basis of the related investment may be allocated to the rights on a pro rata cost basis.

2. *Interest Income.*—Interest income will be accrued according to terms of interest bearing loans and investments. Interest will not be accrued if the ability of the small business concern to pay such accrued interest is doubtful. Indicators of uncollectible accrued interest arise when the SBC is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Other indicators are when principal and/or interest payments are in default more than 6 months or when the Board of Directors values the security below cost and considers collection to be doubtful.

Unearned premiums or discounts are an adjustment of interest income and are to be amortized over the stated life of the debt instrument on a ratable basis.

Interest on invested idle funds is usually accrued on a monthly basis.

G. *Profit Sharing.* As a general rule, profit sharing with the financed concern is an adjustment of the interest rate. An exception to this rule can arise when the licensee makes an investment in an unincorporated concern which takes the form of an equity interest rather than a loan, and the financed concern treats the profit sharing as an equity distribution rather than an expense.

H. *Financing Discounts and Fees.* Discounts on debt instruments resulting from financing made to small business concerns are considered an upward adjustment of the interest rate, and are to be amortized over the stated life of the instrument on a ratable basis. Accordingly, the discount is considered earned as it is amortized.

Fees as a general rule, are considered earned at the time of financing since they are for services rendered in connection with the financing. To the extent fees are for services to be rendered in the future, such amount will be considered unearned until the services are performed, at which time such fees will be considered earned.

I. *Realization of Gain (Loss) on Sale of Securities.* In accordance with the accrual basis of accounting, gain or loss on sale of securities or other assets of a licensee will be realized at the time of sale rather than at the time of collection. This practice assumes that the sale represents the final transaction, that the collectability of the gain is reasonably assured, and that the earnings process is complete, i.e., the licensee is not obligated to perform significant activities after the sale in order to earn the gain. Accordingly, this practice of recognizing gain is in accordance with generally accepted accounting principles.

Any transaction with recourse upon the licensee or involving any understanding, agreement, option, privilege, or other rights to repurchase by and/or resell to the Licensee may not be considered as a final transaction.

Any gain on sale of securities which does not qualify as realized gain in accordance with the foregoing shall be deferred pending such realization.

When part of the net sales price is other than cash, gain will be realized at the time of

sale unless the sale is not a final transaction or unless collection of the proceeds is not reasonably assured. However, such non-cash gains will be restricted in the sense that they will be unavailable for capitalization or distribution until converted to cash. When collected, application of cash will first be made to the recovery of the licensee's cost of securities sold and then to gain. This is not the cost recovery method if the gain is recognized at the time of sale. It is a method of calculating gains available for distribution similar to the cost recovery method.

Losses are recognized at the point of sale and are shown as a reduction of undistributed net earnings realized. They have no effect on non-cash gains.

Cost of securities sold is usually the carrying value of such assets on the licensee's books. Occasionally, a licensee will acquire shares of an investee's stock (which shares are of the same class) at different times and prices. The average cost method of determining cost of such securities when sold is preferred. If a basis other than the average cost method is used, the difference (if material) in gain (loss) between that determined on the average cost method and that on the method actually used should be disclosed.

J. *Unrealized Gain (Loss) on Securities Held.* Unrealized gain (loss) on securities held results from the licensee's directors'/general partner(s) valuation of Loans and Investments. Unrealized appreciation represents the valuation above cost and unrealized depreciation represents valuation below cost. After considering an appropriate provision for taxes, the net amount will be unrealized gain (loss) on securities held for corporate licensees. Limited partnership licensees will not have a provision for taxes.

The Statement of Operations measures the realized activities of a licensee that can be objectively measured. Unrealized gain (loss) on securities held is in many ways a subjective determination by a licensee; therefore, measurement in a separate statement would be most appropriate with the final results being reflected in the equity section of the Statement of Financial Position. Accordingly, unrealized gain (loss) on securities held will be measured separately in the equity accounts rather than being a measurement of earnings. Such accounting treatment is not at variance with Accounting Principles Board Opinion No. 9, *Reporting the Results of Operations*, issued by the AICPA and effective December 31, 1966, or with accounting practices set forth in the AICPA Audit Guide for Investment Companies as applied to SBICs.

K. *Undistributed Realized Earnings.* Undistributed realized earnings will encompass all realized earnings whether in cash or non-monetary receipts such as notes receivable, stock, etc. Earnings realized in other than cash will not be available for distribution or otherwise made available for capitalization until converted to cash. Gain or loss on securities held is unrealized and, therefore, not measured in undistributed earnings.

L. *Accounting for Non-Monetary Transactions.* Non-monetary transactions

involve both reciprocal and non-reciprocal transfers of assets or liabilities not involving cash between the licensee and another entity or person, or between the licensee and its stockholders/partners. Accounting Principles Board Opinion No. 29, issued by the AICPA and effective October 1, 1973, should be followed by licensees to the extent applicable when accounting for non-monetary transactions.

M. Loan and Investment Transactions. Non-monetary exchanges with portfolio concerns or others whereby the licensee transfers certain securities or assets for other securities or assets will be considered transactions where gain (loss) is realized whether such transactions are taxable or non-taxable exchanges, when values are clearly determinable as required by paragraphs 18 and 20 of APB 29. In cases where the values are not clearly determinable the accounting basis for assets received will be the same basis as the assets transferred and unrealized gain (loss) will be the result of the valuation process.

N. Dividends and Spin-offs. Dividends in kind are nonreciprocal transfers of non-monetary assets to owners and should be accounted for at fair value. Fair value is defined as being not less than the value as reported on the most recent SBA Form 468 and the gain will be reported as a non-cash gain.

Assume the following facts:
Licensee has an investment, Cost \$100
Value \$500, and wishes to distribute the asset to the shareholders. If this item is isolated from the remainder of the records the balance sheet would appear as follows:

The appropriate asset account.....	\$100
The appropriate appreciation account.....	400
Account 440-Stockholders Unrealized Appreciation on Loans and Investments.....	\$400
Account 451-Stockholders Undistributed Net Realized Earnings.....	100

At the time that a decision is made to distribute the asset, immediately prior to distribution the licensee will make the following journal entries:

1. Dr Account 440-Stockholders Unrealized Appreciation on Loans and Investments.....	\$400
Cr Account 450-Stockholders Non-cash Gains on Sale of Securities.....	\$400

Explanation—The distribution of the asset is equivalent to a sale which results in a non-cash gain.

2. Dr The appropriate asset account.....	\$400
Cr The appropriate appreciation account.....	\$400

Explanation: The appreciation of the asset has been now realized.
At the time of distribution the following entry would be made.

3. Dr Account 450-Stockholders Non-cash Gains on Sales of Assets.....	\$400
Dr Account 451-Stockholders Net Realized Earnings..	100
Cr The appropriate asset account.....	\$500

O. Special Policies Applying to 301(d) Licensees.—1. Three percent non-voting Preferred Stock Purchased by SBA. Although considered leverage funds, preferred stock purchased by SBA of a 301(d) licensee is treated like other equity securities for accounting purposes. Dividends on such stock receive the conventional treatment of dividends and are declared and paid out of "retained earnings". If arrearages of dividends exist on the preferred stock purchased by SBA, the balance sheet should indicate that a footnote should be read in conjunction with the preferred stock. The footnote should explain the amount of the arrearages and the number of arrearages. Dividends or other distributions may not be made if (a) Retained Earnings is a deficit or (b) there are any arrearages of dividends on preferred stock issued to SBA.

2. Capitalized Operating Expenses. Frequently, 301(d) licensees that have parent companies will be allowed to increase capital by transfers of allocated operating expenses incurred on the part of the licensee but paid for by the parent company. Another form of the same type of transaction exists when the parent company increases private capital of a subsidiary licensee by a cash transfer in which funds are designed to be used for budgeted operating expenses.

Such transfers will be deferred (account No. 383) expenses rather than assets on the basis that they have no future value.

P. Allowance for Losses on Loans and Investments. The value basis of accounting does not contemplate a general allowance for losses on loans and investments as does the cost basis. Rather, value accounting requires the licensee's Board of Directors/General Partner(s) to value each loan or investment as of the statement date. When value is determined to be less than cost, unrealized depreciation will result. The Unrealized Depreciation, which is the SBIC's good faith valuation of certain investments below cost, is the amount that should be shown as an "Allowance for Losses on Loans and Investments" in the Computation of Earnings Available for Dividend Declaration or Capitalization. The total amount shown on Line Item 10, Column 2, of the Statement of Financial Position should, under normal conditions, be the amount of the "Allowance for Losses." Any material difference between the amount reported on Line 10, Column 2 of the Statement of Financial Position and the amount reported as the Allowance for Losses on Loans and Investments in the Computation of Earnings Available for Dividend Declaration or Capitalization should be explained by a footnote(s). It should be noted, however, that the adoption

of value accounting will have no effect on the licensee's reserve for losses for tax purposes (see I.R.C.)

III. Chart of Accounts

A. Account Numbering System. This system provides for two-digit number designations for major categories under which accounts are listed, and three-digit number designations for individual general ledger accounts. The first two digits of an individual account number refer to the major category under which the account is classified and the third digit identifies the specific account. Digits from zero through nine are used to identify specific accounts; the first deposit bank account established will be designated "100" and the second "101." It will be noted that some categories encompass individual accounts in sufficient number to require assignment of more than one two-digit number to identify the category. For example, "Cash on Hand and in Banks" has been assigned category numbers "10," "11," and "12."

B. Additional Accounts. Licensees may incorporate such additional accounts into their accounting system as are considered necessary.

Any account may be subdivided provided that such subaccounts do not impair the integrity of the accounts set forth in the prescribed system. Subaccounts shall refer by number and title to the accounts to which they apply. Use of a decimal system is required for extending the account numbers to identify such subaccounts.

C. Primary Classification of Accounts. The primary classification of accounts is as follows:

Account No.	Description
General Ledger	
100 to 299.....	Asset and valuation accounts.
300 to 399.....	Liability accounts.
400 to 499.....	Capital accounts.
500 to 599.....	Income accounts.
600 to 699.....	Expense accounts.
Memorandum Records	
NA-10 to NA-14.....	Nominal assets.
CL-15 to CL-17.....	Contingent liabilities.
OCS-1.....	Options on company's stock.
AL-1.....	Actual (realized) losses.
WI.....	Worthless investments—written off.
PDA.....	Preferred dividend arrearages on preferred stock sold SBA.

D. Detail Chart of Accounts. The detail chart of accounts is organized according to the primary classification of accounts and identifies the account number and title of each account. The page where a description of the account can be found is indicated at the right of the account title.

Asset and Valuation Accounts

10-12—Cash on Hand and in Banks

100-108—Deposits in _____ bank.

110-112—Deposits in imprest account in _____ bank.

118—Cash items in process of collection.

- 120—Petty cash fund.
- 13—*Invested Idle Funds*
- 130—U.S. Government obligations, direct and fully guaranteed.
- 131—Insured savings accounts.
- 135—137—Time certificates of deposit in bank.
- 138—Other investments in insured institutions.
- 14—*Receivables*
- 140—Notes receivable.
- 141—Accounts receivable.
- 142—Allowance for uncollectible notes and accounts receivable.
- 143—Accrued interest receivable.
- 144—Allowances for uncollectible interest receivable.
- 145—Dividends receivable.
- 146—Receivables from parent.
- 15—*Current Maturities and Other Current Assets*
- 150—Current maturities on portfolio securities.
- 152—Current maturities on assets acquired in liquidation of portfolio securities.
- 153—Current maturities on operating concerns acquired.
- 154—Current maturities on other securities.
- 156—Other current assets.
- 16—*Investment in 301(d) Licensee*
- 160—Investment in 301(d) licensee.
- 17—*Loans to Small Business Concerns*
- 170—Loans.
- 171—Appreciation of loan values.
- 172—Depreciation of loan values.
- 173—Unearned discount, fees, and other charges on loans.
- 18—*Debt Securities of Small Business Concerns*
- 180—Debt securities, convertible, and with stock purchase warrants or options.
- 184—Debt securities divested of stock rights.
- 186—Appreciation of debt securities values.
- 187—Depreciation of debt securities values.
- 188—Unearned discount, fees, and other charges on debt securities.
- 19—*Equity Interests of SBCs*
- 190—Capital stock of SBCs, with stock purchase warrants or options, and/or convertible.
- 191—Capital stock of SBCs—other.
- 192—Appreciation of capital stock values.
- 193—Depreciation of capital stock values.
- 194—Equity interests of unincorporated concerns.
- 195—Appreciation of equity interests in unincorporated concerns.
- 196—Depreciation of equity interests in unincorporated concerns.
- 197—Warrants, options, and other stock rights acquired from SBCs.
- 198—Appreciation of warrants, options, and other stock rights acquired from SBCs.
- 199—Depreciation of warrants, options, and other stock rights acquired from SBCs.
- 20—*Assets Acquired in Liquidation of Portfolio Securities*
- 200—Receivables from debtors on sale of assets acquired in liquidation of portfolio securities.
- 203—Depreciation in values of receivables from debtors on sale of assets acquired in liquidation of portfolio securities.
- 204—Assets acquired in liquidation of portfolio securities.
- 205—Appreciation of assets acquired in liquidation of portfolio securities.
- 206—Depreciation of assets acquired in liquidation of portfolio securities.
- 21—*Operating Concerns Acquired*
- 210—Operating concerns acquired.
- 211—Appreciation of operating concerns acquired.
- 212—Depreciation of operating concerns acquired.
- 22—*Other Securities*
- 220—Notes and other securities received on sale of portfolio securities.
- 221—Other securities received.
- 222—Appreciation of other securities.
- 223—Depreciation of other securities.
- 23—*Prepaid Expenses and Deferred Charges*
- 230—Prepaid expenses.
- 231—Deferred charges.
- 24—*Furniture and Equipment*
- 240—Furniture and equipment.
- 241—Accumulated depreciation on furniture and equipment.
- 25—*Corporate Premises Owned*
- 250—Corporate premises owned.
- 251—Accumulated depreciation on corporate premises owned.
- 252—Leasehold improvements.
- 26—*Other Assets*
- 265—Amounts due from directors, officers, general partners, limited partners and employees.
- 266—Organization costs.
- 267—Funds in escrow.
- 269—Other assets.
- Liability Accounts**
- 30—*Notes and Other Obligations Payable to SBA for Funds Borrowed*
- 300—Notes payable to SBA.
- 301—Debentures payable issued to SBA.
- 31—*Notes and Other Obligations Payable to Other than SBA for Funds Borrowed*
- 310—Notes payable to other than SBA—guaranteed by SBA.
- 311—Notes payable to other than SBA—not guaranteed by SBA.
- 312—Mortgages payable for funds borrowed.
- 313—Mortgages payable on assets acquired in liquidation of portfolio securities.
- 32—*Notes Payable—Other*
- 320—Notes payable—other.
- 33—*Current Maturities of Long-Term Debt*
- 330—Current maturities of notes and debentures payable to or guaranteed by SBA.
- 331—Current maturities of notes and debentures payable to others not guaranteed by SBA.
- 34—*Accounts Payable*
- 340—Accounts payable.
- 341—Accounts payable due parent or partners.
- 35—*Accrued Expenses and other current Liabilities*
- 350—Accrued interest payable.
- 351—Accrued taxes.
- 354—Estimated income taxes accrued.
- 358—Other current liabilities.
- 36—*Dividends and Distributions Payable*
- 360—364—Dividends payable on (type and class) capital stock.
- 365—369—Distributions payable to general and limited partners.
- 37—*Trust Receipts*
- 370—Employee taxes withheld.
- 374—Unapplied receipts.
- 378—Miscellaneous trust receipts.
- 38—*Deferred Credits*
- 380—Deferred credit to future income taxes.
- 383—Other deferred credits.
- 39—*Other Liabilities*
- 390—Other liabilities.
- Capital Accounts**
- 40—41—*Capital Stock*
- 400—404—(type and class) capital stock authorized.
- 405—409—(type and class) unissued capital stock.
- 410—411—(type and class) capital stock subscribed.
- 413—414—Capital stock subscriptions receivable (type and class).
- 415—419—Treasury stock (type and class).
- 42—*Paid-in Surplus*
- 420—Paid-in surplus.
- 43—*3 Percent Preferred Stock [301(d) Licensees only]*
- 430—3 percent preferred stock, cumulative, non-voting issued to SBA.
- 44—*Stockholders' Unrealized Gain (Loss) on Securities Held*
- 440—Stockholders' unrealized appreciation on loans and investments.
- 445—Stockholders' unrealized depreciation on loans and investments.
- 448—Stockholders' estimated taxes on net unrealized gain (loss) on securities held.
- 45—*Stockholders' Undistributed Realized Earnings*
- 450—Stockholders' non-cash gains on sale of securities.
- 451—Stockholders' undistributed net realized earnings.
- 46—*Stockholders' and Partners Profit and Loss Clearing*
- 460—Stockholders' profit and loss summary.

461—Stockholders' realized gain and loss summary in cash.

462—Stockholders' non-cash realized gain summary.

463—Stockholders' non-cash income from investments reported on the equity method of accounting.

465—Partners' profit and loss summary.

466—Partners' realized gain and loss summary in cash.

467—Partners' non-cash realized gain summary.

468—Partners' non-cash income from investments reported on the equity method of accounting.

47—Partners' Capital Contributions

470—General Partners' Permanent Capital Contribution Summary.

471—Corporate General Partners' Permanent Capital Contribution.

472—Individual General Partners' Permanent Capital Contribution.

475—Limited Partners' Permanent Capital Contribution Summary.

476—Limited Partners' Permanent Capital Contribution.

48—Partners' Unrealized Gain (Loss) on Securities Held

481—Corporate General Partners' Unrealized Appreciation on loans and investments.

482—Individual General Partners' Unrealized Appreciation on loans and investments.

483—Corporate General Partners' Depreciation on loans and investments.

484—Individual General Partners' Depreciation on loans and investments.

485—Limited Partners' Unrealized Appreciation on loans and investments.

486—Limited Partners' Unrealized Depreciation on loans and investments.

49—Partners' Undistributed Realized Earnings

491—Corporate General Partners' non-cash gains.

492—Individual General Partners' non-cash gains.

493—Corporate General Partners' undistributed net realized earnings.

494—Individual General Partners' undistributed net realized earnings.

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496—Limited Partners' Undistributed net realized earnings.

Income Accounts

50—Commitment Income

500—Commitment Income.

51—52—Interest Income

510—Interest on invested idle funds.

512—Interest on loans.

516—Interest on debt securities.

520—Interest income—other.

53—Fee Income

532—Management service fees.

534—Investigation and service fees charged other lenders.

536—Application and appraisal fees.

54—Dividends and Other Earnings

540—Dividends on capital stock of SBCs.

541—Sharings in income or revenue of SBCs.

542—Non-cash income from investments reported on the "Equity Method of Accounting."

57—Gain on Securities and Other Assets

570—Gain on U.S. Government securities.

571—Gain on loans.

572—Gain on debt securities.

574—Gain on capital stock of SBCs.

575—Gain on equity interests of

unincorporated SBCs.

576—Gain on warrants, options, and other stock rights acquired from SBCs.

577—Gain on assets acquired in liquidation of portfolio securities.

578—Gain on operating concerns acquired.

579—Gain on other assets.

58—Miscellaneous Income

582—Income from assets acquired in liquidation of portfolio securities.

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Expense Accounts

60—Commitment Expense

600—Commitment expense.

61—62—Interest Expense

610—Interest on obligations payable to SBA.

622—Interest on obligations payable to other than SBA.

64—Stock Record and Other Financial Expenses

642—Stock record and other financial expenses.

65—67—Operating Expenses

650—Advertising and promotional costs.

651—Appraisal and investigation costs.

652—Auditing and examination costs.

653—Communications.

654—Cost of space occupied.

655—Depreciation of corporate premises owned, furniture, and equipment.

656—Amortization of leasehold improvements.

657—Directors' and stockholders' and partners' meetings costs.

658—Insurance.

659—Management services fees.

660—Investment adviser costs.

661—Legal services.

663—Salaries.

664—Taxes, excluding income taxes.

665—Travel.

670—Employee benefits expense.

672—Amortization of organization

expense.

679—Miscellaneous operating expenses.

68—Estimated Losses on Receivables

680—Estimated losses on receivables.

70—Loss on Securities and Other Assets

700—Loss on U.S. Government securities.

701—Loss on loans.

702—Loss on debt securities.

704—Loss on capital stock of SBCs.

705—Loss on equity interests of

unincorporated concerns.

706—Loss on warrants, options, and other stock rights acquired from SBCs.

707—Loss on assets acquired in liquidation of portfolio securities.

708—Loss on operating concerns acquired.

709—Loss on other assets.

71—Miscellaneous Expenses

710—Expense on assets acquired in liquidation of portfolio securities.

715—Other Expenses

72—Income Taxes

720—Income taxes—net income.

722—Income taxes—net realized gain on investments.

Memorandum Records

Nominal Assets

NA-10—Stock purchase warrants or options on stock of SBCs.

Contingent Liabilities

CL-15—Commitments outstanding.

CL-16—Guarantees outstanding.

CL-17—Other contingent liabilities.

Options on Company's Stock

OCS-1—Options on company's stock.

Actual Loss Experience

AL-1—Actual (realized) losses.

Worthless Investments

WI-1—Worthless investments written off.

Preferred Dividend Arrearages

PDA-1—Preferred dividend arrearages on preferred stock sold to SBA.

IV—Description of Accounts

Asset and Valuation Accounts

100-108—Deposits in _____ bank.

These accounts will represent funds on demand deposit in banks which are members of the Federal Deposit Insurance Corporation.

Debit:

(a) With amount of funds deposited.

Credit:

(a) With amount of funds withdrawn, and charges made by bank for such items as dishonored checks, transfer of funds by wire, collection, exchange, etc.

110-112—Deposits in imprest account in _____ bank.

These accounts will represent funds on demand deposit in imprest bank accounts to be drawn upon for the payment of operating expenses and to be reimbursed periodically through deposit therein of a check requiring dual signatures and drawn on the company's general funds bank account.

Debit:

(a) With amount of funds deposited.

Credit:

(a) With amount of funds withdrawn.

118—Cash items in process of collection

This account will represent the amount of cash items placed with banks for collection.

Debit:

(a) With amount of such items placed with banks for collection.

Credit:

(a) With amount of items collected.

(b) With amount of uncollected items returned or withdrawn.

120—Petty cash fund

This account will represent the imprest petty cash fund maintained for the purpose of making small disbursements.

Debit:

(a) With amount placed in the fund when established.

(b) With amount of increase in the fund.

Credit:

(a) With amount of decrease in the fund.

Note.—The petty cash fund may be reimbursed and expenditures recorded as often as circumstances require, but must be reimbursed at the close of the company's fiscal year. Checks to replenish the fund will be drawn on a general fund bank account and include "petty cash" as a payee. Debits totaling the amount of this replenishment should be made concurrently to the appropriate accounts.

130—United States Government obligations, direct and fully guaranteed

This account will represent the cost of temporary investments made from general cash funds in direct obligations of the United States Government and obligations guaranteed as to principal and interest by the United States Government. When United States Government Savings Bonds redeemable at par value on maturity are purchased at less than face value, the increase in redemption value may be periodically charged to this account with concurrent credit to account No. 510—Interest on invested idle funds.

Debit:

(a) With cost of such securities acquired.
(b) With increase in redemption value of United States Savings Bonds.

Credit:

(a) With redemption value of United States Savings Bonds redeemed.
(b) With cost of such securities sold or disposed of otherwise.

Note.—Increase in value over cost of United States Treasury Bills, which are issued at a discount and are noninterest bearing, will not be reflected in this account but will be debited to account No. 143—Accrued interest receivable, with concurrent credit to account No. 510—Interest on invested idle funds.

(See account Nos. 570 and 700.)

131—Insured savings accounts

This account will include the balances in subaccount Nos. 131.1, 131.2, etc.

131.1—Insured savings in _____

This account will represent funds invested in an insured savings account (up to the amount of the insurance) in an institution the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

Debit:

(a) With amount of funds invested.
(b) With amount of interest earned on such invested funds.

Credit:

(a) With amount of funds withdrawn.
135—137—Time certificates of deposit in _____ bank.

These accounts will represent funds in Time Certificates of Deposit, maturing not later than one year after issuance, in banks which are members of the Federal Deposit Insurance Corporation.

Debit:

(a) With amount of funds deposited.

Credit:

(a) With amount of funds withdrawn.

138—Other investments in insured institutions

This account will represent funds deposited or invested in insured institutions that can not be classified in any of the prior categories.

Debit:

(a) With the amount of funds deposited or invested.

Credit:

(a) With the amount of funds withdrawn.

140—Notes receivables

This account will represent the unpaid balance of miscellaneous notes receivable, such as notes for management consulting services. Notes representing amounts due from debtors on sale of assets acquired in liquidation of portfolio securities will be reflected in account No. 200.

Debit:

(a) With amount of such miscellaneous notes received.

Credit:

(a) With amount collected on principal of such miscellaneous notes.

(b) With unpaid principal balance written off or disposed of otherwise.

Note.—Recording as income of amounts entered in this account should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the debtor small business concern is in default more than 6 months to the licensee, or the fair value of its debt or equity instruments held by the company, as determined by the Board of Directors/General Partner(s), is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the receivable entered in this account, or, as an alternative, the receivable recorded as an asset should be concurrently credited as deferred income to account No. 383 as above indicated.

(See account No. 142.)

141—Accounts receivable

This account will represent the amount due on open account for management consulting, appraisal, and miscellaneous services rendered; and miscellaneous current receivables.

The account also will include the amount of accrued compensation receivable for services rendered to "participating" companies and the amount of accrued commitment fees receivable for making funds available on a deferred basis to small

business concerns and to "initiating" companies in connection with the latter's financing of small business concerns.

Accounts receivable representing receivables due from debtors on sale of assets acquired in liquidation of portfolio securities will be reflected in account No. 200.

Debit:

(a) With amount due the company.

Credit:

(a) With amount collected.

(b) With amount written off or disposed of otherwise.

Note.—Recording as income of amounts entered in this account should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the debtor small business concern is in default more than 6 months to the licensee, or the fair value of its debt or equity instruments held by the company, as determined by the Board of Directors/General Partner(s), is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the receivable entered in this account, or, as an alternative, the receivable recorded as an asset should be concurrently credited as deferred income to account No. 383 as above indicated.

(See account No. 142.)

142—Allowance for uncollectible notes and accounts receivable

This account will represent the valuation reserve provided for estimated losses on notes and accounts receivable and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands, so that this account will reflect the best available estimate or probable losses on notes and accounts receivable.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of notes and accounts receivable written off.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

(c) With amount of recoveries on notes and accounts receivable written off.

Note.—When a note receivable or an account receivable is recorded with respect to any debtor small business is in default more than 6 months to the licensee, or the fair value of whose debt or equity instruments held by the company, as determined by the Board of Directors/General Partner(s), is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable reflected in this account should be made in an amount equivalent to the recorded receivable, or, as

an alternative, the amount of the receivable recorded as an asset should be concurrently credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. (See account Nos. 140, 141 and 680.)

143—Accrued interest receivable

This account will represent the amount of interest accrued on portfolio loans to and debt securities of small business concerns, United States Government obligations, direct and fully guaranteed, notes receivable, sales contracts, and other interest-bearing amounts due from debtors, including funds placed in escrow pending the closing of financing and assets acquired in liquidation of portfolio securities as well as interest accrued on other securities.

Debit:

(a) With amount of interest accrued on all items covered by this account.

Credit:

(a) With amount of interest payments received.

(b) With amount of accrued interest transferred to assets acquired in liquidation of loans and debt securities.

(c) Upon disposition of interest-bearing obligations, with amount of accrued interest thereon included in this account.

(d) With amount of accrued interest written off or disposed of otherwise.

Note 1.—At the option of the company, interest payments received in cash from debtors prior to the interest maturity date may be credited to account No. 374—Unapplied receipts, until the maturity date.

Note 2.—Accrual of interest receivable should be discontinued with respect to any loan or debt security financing a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be treated as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the licensee; or the fair value of the loan or debt security as determined in good faith by the Board of Directors/General Partners is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrual of interest receivable, or, as an alternative, the interest income should be deferred in account No. 383 as above indicated.

(See account No. 144.)

144—Allowance for uncollectible interest receivable

This account will represent the valuation reserve provided for estimated losses of accrued interest receivable, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands, so that this account will reflect the best available estimate of

probable losses of accrued interest receivable.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of accrued interest receivable written off.

Credit:

(a) With amount of increases in such reserve established.

(b) With amount of increases in such reserve.

(c) With amount of recoveries of accrued interest receivable written off.

Note.—When interest receivable is accrued under circumstances in which the financed small business concern is in default over six months to the licensee, or the fair value of the loan or debt security as determined in good faith by the Board of Directors/General Partner(s) is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable reflected in this account should be made in an amount equivalent to the accrual of interest receivable, or, as an alternative, the interest income should be deferred in account No. 383—Other deferred credits, pending determination of the appropriate accounting.

(See account Nos. 143 and 680.)

145—Dividends receivable

This account will represent cash dividends that have been declared on capital stock of small business concerns but have not been distributed to stockholders.

Debit:

(a) With amount due the licensee of cash dividend declared.

Credit:

(a) With amount distributed to the licensee of the dividend declared.

(See account No. 540.)

Note 1.—Stock splits or dividends in stock of the same class as that owned are not recorded as dividend receivable or income because the licensee's equity interest in the company declaring the dividend or split has not changed.

Therefore, stock splits or dividends will be measured in the appropriate investment account.

(Account Nos. 190 or 191.)

Note 2.—Dividends in kind will be recorded as income at the fair market value of the securities received and will be recorded in account No. 221, Other securities received.

146—Receivables from parent

This account will represent receivables due licensee from its parent. Receivables due from parent will generally be from one of two sources: (1) Expenses shared pro-rata with the parent paid by the licensee, but not yet reimbursed by the parent and/or (2) licensee has a tax loss from which the parent (and/or consolidated group) have received a tax benefit.

Debit:

(a) Parent's share of any expense shared with the licensee which was paid by the licensee.

(b) Licensee's share of any tax benefit derived by the parent from the filing of a

consolidated tax return when the licensee has a taxable loss.

(c) Any other receivable due from parent arising from any other source.

Credit:

(a) Cash received from parent.

(b) Income taxes due from licensee but paid by the parent.

Note.—The credit for income taxes due from licensee but paid by the parent can only arise in the case of a prior benefit being derived by the parent.

If the licensee has had a previous tax benefit by reason of a tax loss from some other member of the consolidated group the credit would be to account No. 341—Accounts payable due parent.

150—Current maturities of portfolio securities

The account will represent the principal amounts due the licensee on a cost basis of loans and debt securities of small business concerns that are reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

(a) With amount of current maturities collected by the licensee.

(b) With amount not considered collectible on a current basis and restored to loan or debt security accounts.

(See account Nos. 170, 180, and 184.)

152—Current maturities on assets acquired in liquidation of portfolio securities

This account will represent the current principal amounts due the licensee on a cost basis of amounts due from debtors on sale of assets acquired; or the current principal amounts of their debt instruments that are classified as assets acquired in liquidation of portfolio securities.

This account will represent only those amounts reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

(a) With amount of current maturities collected by the licensee.

(b) With amount not considered collectible on a current basis and restored to the appropriate asset acquired in liquidation of portfolio securities account.

(See account Nos. 200, 204.)

153—Current maturities on operating concerns acquired

This account will represent the principal amounts due the licensee on a cost basis of debt instruments classified as operating concerns acquired that are reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

- (a) With amount of current maturities collected by the licensee.
 - (b) With amount not considered collectible on a current basis and restored to other securities accounts.
- (See account No. 210.)

154—Current maturities on other securities

This account will represent the principal amounts due the licensee on a cost basis of debt instruments classified as "other securities" that are reasonably expected to be collected in the normal course of business in the next 12 months of operations.

- Debit:
- (a) With amount due the licensee during the current year.
- Credit:
- (a) With amount of current maturities collected by the licensee.
 - (b) With amount not considered collectible on a current basis and restored to other securities accounts.
- (See accounts Nos. 220 and 221.)

156—Other current assets

This account will represent current assets not otherwise classified of the licensee that are expected to be converted to cash or expensed in the normal course of business in the next twelve months.

- Debit:
- (a) With amount of such asset.
- Credit:
- (a) With amount collected.
 - (b) With the proportionate amount allocated to the period as an expense.

160—Investment in 301(d) licensee

This account will represent the licensee's investment in capital stock of a special purpose SBIC. The account will be maintained on the equity method of accounting basis and will show licensee's investment after considering proportionate share of realized income (loss) of the 301(d) licensee's operations and dividends declared by the 301(d) licensee.

- Debit:
- (a) With cost of capital stock of such 301(d) licensee.
 - (b) With the licensee's proportionate share of the 301(d) licensee's:
- (1) Net investment income, and
 - (2) Net realized gain on the sale of securities.
- Credit:
- (a) With the licensee's proportionate share of:
- (1) Net investment loss.
 - (2) Net realized loss on sale of securities.
 - (b) With the licensee's proportionate share of cash dividends or dividends in kind at fair value.
 - (c) With the value on equity basis of stock in 301(d) licensee when sold.

170—Loans

This account will represent the unpaid principal balance of loans made to small business concerns pursuant to Section 305 of the Small Business Investment Act of 1958, as amended.

- Debit:
- (a) With face amount of direct loans.

- (b) With portion retained by company of loans in which participations are sold to others.
 - (c) With amount of participations in loans of others.
 - (d) With unpaid principal of loans represented by renewal notes accepted or notes taken in substitution for those held.
 - (e) With reversal of prior credits when checks received representing repayments are dishonored, etc.
- Credit:
- (a) With amount collected on face amount of direct loans.
 - (b) With company's share of amount collected on principal of loans in which participations are sold to others.
 - (c) With amount by which participations in loans of others are reduced by repayments transmitted by the "initiating" company.
 - (d) With unpaid principal of loans represented by notes renewed or for which other notes have been substituted.
 - (e) With amount transferred to assets acquired in liquidation of portfolio securities.
 - (f) With unpaid principal of loans written off or disposed of otherwise.

Note 1.—A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

Note 2.—It is assumed that in all loan participation arrangements the "initiating" company will service the loans.

Note 3.—It is recommended that individual loan ledger cards or sheets be maintained for all loans. Such ledger cards or sheets should contain the detailed information needed for account No. 173—Unearned discount, fees, and other charges on loans.

(See account Nos. 171 and 172.)

171—Appreciation of loan values

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued loans about cost.

- Debit:
- (a) With amount of such appreciation recognized.
 - (b) With amount of increases in such appreciation recognized.
- Credit:
- (a) With decrease in amount of such appreciation resulting from decline in fair value of loans.
 - (b) With amount of appreciation attributable to loans sold or otherwise disposed of.
- (See account No. 440.)

Note.—See Note 1 to account 172.

172—Depreciation of loan values

This account will represent the downward valuation of loans and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

- Debit:
- (a) With amount of decreases in such reserve.
 - (b) With amount of such loans written off.

Credit:

- (a) With amount of such reserve established.
 - (b) With amount of increases in such reserve.
 - (c) With amount of recoveries on such loans written off.
- (See account Nos. 170 and 445.)

Note.—Usually, this account will be subdivided into at least two accounts:

172.1 Allowance for Losses—which represents losses the licensee expects to realize on specific loans.

172.2 Other Depreciation of Loan Values—which represents the Board of Directors/General Partner(s) downward valuation of specific loans. However, if securities are held to maturity, no loss would be expected. An example would be money mortgage discounts.

173—Unearned discount, fees, and other charges on loans

This account will represent the amount of unearned discount, fees, and other charges included in the face amount of loans made to small business concerns pursuant to Section 305 of the Small Business Investment Act to such small business concerns.

- Debit:
- (a) With amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which becomes earned through collection or passage of time.
 - (b) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which is retained by the company in connection with loans participated in by other lenders (the amount to be recorded becomes earned through collection or passage of time).
 - (c) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which is assigned to the company in connection with its participations in loans of other lenders (the amount to be recorded becomes earned through collection of passage of time).

(d) With amount of unearned discount, fee, and other charges included in the face amount of loans, but withheld from disbursement to debtor small business concerns, which is rebated to borrowers upon early repayment of loans, or is closed into the asset account upon liquidation of loans at less than full amount.

Credit:

- (a) With amount of unearned discount, fees, and other charges included in the face amount of loans but withheld from disbursements to debtor small business concerns.

(b) With portion retained by the company of total amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, in connection with loans participated in by other lenders.

(c) With portion assigned to the company of total amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, in connection with its participation in loans of other lenders.

Note 1.—A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

Note 2.—Unearned discount in this account will be transferred, as appropriate to account No. 512—Interest on loans, as it becomes earned, and unearned fees and other charges will be transferred to account No. 536—application and appraisal fees, under similar circumstances.

Note 3.—Any fees and other charges considered earned immediately upon closing of loans will be recorded in the income account at once without first being entered in this account.

Note 4.—Appropriate subsidiary records should be maintained for all unearned amounts included in this account to permit identification of such amounts with the particular loans to which they relate.

180—Debt securities, with stock purchase warrants or options, and/or convertible

This account will represent the unpaid principal balance of small business concerns' debt securities, with attached stock purchase warrants or options, and/or convertible, acquired by the company pursuant to Section 304 of the Small Business Investment Act of 1958, as amended. If the stock purchase warrants, options, or other stock rights have a separate purchase cost, or if a separate cost has otherwise been determined for them, the warrants, options, or other stock rights will be reflected at such cost in account No. 197.

Debit:

(a) With face amounts of debt securities, with stock purchase warrants or options, and/or convertible, acquired.

(b) With portion retained by company of debt securities, with stock purchase warrants or options, and/or convertible, in which participations are sold to others.

(c) With amount of participations in purchases by others of debt securities, with stock purchase warrants or options, and/or convertible.

(d) With reversal of prior credits when checks received representing repayments are dishonored, etc.

Credit:

(a) With amount collected on face amount of debt securities, with stock purchase warrants or options, and/or convertible.

(b) With company's share of amount collected on principal of debt securities, with stock purchase warrants or options, and/or convertible, in which participations are sold to others.

(c) With amounts by which participations in purchases by others of debt securities, with stock purchase warrants or options, and/or convertible, are reduced by repayments transmitted by the "initiating" company.

(d) With unpaid principal of debt securities, with stock purchase warrants or options,

and/or convertible, or portions thereof, converted into capital stock.

(e) With unpaid principal of debt securities, with stock purchase warrants or options, and/or convertible, which have been divested of stock rights through (1) the expiration of the conversion privilege, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options.

(f) With unpaid principal of debt securities, with stock purchase warrants or options, and/or convertible, transferred to assets acquired in liquidation of loans and debt securities.

(g) With unpaid principal of debt securities, with stock purchase warrants or options, and/or convertible, written off or disposed of otherwise.

Note 1.—A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

Note 2.—It is assumed that in all arrangements for participation in the purchase of debt securities, with stock purchase warrants or options, and/or convertible, the "initiating" company will service the financing.

Note 3.—It is recommended that individual ledger cards or sheets be maintained for all debt securities, convertible, and with stock purchase warrants or options. Such ledger cards or sheets should contain the detailed information needed for account No. 188—Unearned discount, fees, and other charges on debt securities, and for activities pertaining to participations purchased or sold.

(See account Nos. 184, 186, 187, 188, and memorandum record No. NA-10.)

184—Debt securities divested of stock rights

This account will represent the unpaid principal balance of small business concerns' debt securities which have been divested of stock rights through (1) the expiration of the conversion privilege of convertible debt securities, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options of debt securities, or (3) the detachment of detachable stock purchase warrants or options, obtained in connection with the acquisition of debt securities pursuant to Section 304 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) With unpaid principal of debt securities divested of stock rights through (1) the expiration of the conversion privilege, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options.

(b) With company's retained portion of debt securities participated in by others which have been subsequently divested of stock rights.

(c) With amount of participations in purchases by others of debt securities which

have been subsequently divested of stock rights.

(d) With reversal of prior credits when checks received representing repayments are dishonored, etc.

Credit:

(a) With amount collected on face amount of debt securities divested of stock rights.

(b) With company's share of amount collected on principal of debt securities participated in by others which have been subsequently divested of stock rights.

(c) With full amount by which participations in purchases by others of debt securities which have been subsequently divested of stock rights are reduced by repayments transmitted by the "initiating" company.

(d) With unpaid principal of debt securities divested of stock rights transferred to assets acquired in liquidation of loans and debt securities.

(e) With unpaid principal of debt securities divested of stock rights written off or disposed of otherwise.

Note.—It is recommended that individual ledger cards or sheets be maintained for all debt securities which have been divested of stock rights. Such ledger cards or sheets should contain the detailed information needed for account No. 188—Unearned discount, fees, and other charges on debt securities.

(See account Nos. 186, 187, and 188.)

186—Appreciation of debt securities of SBC's

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued debt securities with equity features above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See account No. 440.)

Note.—See Note 1 to account 187.

187—Depreciation of debt securities values

This account will represent the downward valuation of debt securities, with stock purchase warrants or options, and/or convertible, and debt securities divested of stock rights and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for debt securities which are written off, sold, or disposed of otherwise.

(c) With amount of writedown of such debt securities, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

Note 1.—When debt securities of small business concerns are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 702 will be debited for the amount of the loss, and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 572. The amount of the reserve which has been established in this account for the debt security sold or disposed of otherwise will be reversed and offset against account No. 445.

Note 2.—Usually, this account will be subdivided into at least two accounts:

187.1 *Allowance for Losses*—which represents losses the licensee expects to realize on specific debt securities.

187.2 *Other Depreciation of Debt Securities Values*—which represents the Board of Directors/General Partner(s) downward valuation of specific debt securities. However, if securities are held to maturity no loss would be expected. An example is money mortgage discount.

188—Unearned discount, fees and other charges on debt securities

This account will represent the amount of unearned discount, fees, and other charges included in the face amount of small business concerns' debt securities acquired pursuant to Section 304 of the Small Business Investment Act of 1958, as amended, and which is withheld from disbursements to such small business concerns.

Debit:

(a) With amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, which becomes earned through collection or passage of time.

(b) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, which is retained by the company in connection with purchases of debt securities participated in by other investors (the amount to be recorded becomes earned through collection or passage of time).

(c) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns which is assigned to the company in connection with its participations in purchases of debt securities by other investors (the amount to be recorded becomes earned through collection or passage of time).

(d) With amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, which is rebated to borrowers upon early repayment of debt securities, or is closed into the asset account upon liquidation of debt securities at less than full amount.

Credit:

(a) With amount of unearned discount (including that equivalent to the determined cost of warrants, options, and other stock rights, as explained in Note 2 of the account No. 197), fees, and other charges included in the face amount of debt securities but withheld from disbursements to debtor small business concerns.

(b) With portion retained by the company of total amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursement to debtor small business concerns, in connection with purchases of debt securities participated in by other investors.

(c) With portion assigned to the company of total amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursement to debtor small business concerns, in connection with its participations in purchases of debt securities by other investors.

Note 1.—A participation is defined as an undivided interest shared with one or more lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

Note 2.—Unearned discount in this account will be transferred, as appropriate, to account No. 516—Interest on debt securities, as it becomes earned, and unearned fees and other charges will be transferred to account No. 536—Application and appraisal fees, under similar circumstances.

Note 3.—Any fees and other charges considered earned immediately upon closing of financing through purchase of debt securities will be recorded in the income account at once without first being entered in this account.

Note 4.—Appropriate subsidiary records should be maintained for all earned amounts included in this account to permit identification of such amounts with the particular debt securities to which they relate.

190—Capital stock of SBCs, with stock purchase warrants or options, and/or convertible

This account will represent the value at cost of small business concerns' capital stock, with attached stock purchase warrants or options, and/or convertible, acquired by the company pursuant to Section 304 of the Small Business Investment Act of 1958, as amended. If the stock purchase warrants, options, or other stock rights have a separate purchase cost, or if a separate cost has otherwise been determined for them, the warrants, options, or other stock rights will be reflected at such cost in account No. 197.

Debit:

(a) With cost of such capital stock of SBCs, with stock purchase warrants or options, and/or convertible, acquired.

(b) With portion retained by company of the capital stock of SBCs, with stock purchase warrants or options, and/or convertible, in which participations are sold to others.

(c) With amount of participations in acquisitions by others of capital stock of SBCs, with stock purchase warrants or options, and/or convertible.

Credit:

(a) With cost of such capital stock of SBCs, with stock purchase warrants or options, and/or convertible, which has been divested of stock purchase rights through (1) the expiration of the conversion privilege, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options.

(b) With cost of such capital stock of SBCs, with stock purchase warrants or options, and/or convertible, converted to another class of capital stock.

(c) With cost of such capital stock of SBCs, with stock purchase warrants or options, and/or convertible, written off or disposed of otherwise.

Note 1.—A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

Note 2.—It is assumed that in all arrangements for participation in the acquisition of capital stock of SBCs, with stock purchase warrants or options, and/or convertible, the "initiating" company will service the financing.

Note 3.—It is recommended that individual ledger cards or sheets be maintained for all capital stock of SBCs, with stock purchase warrants or options, and/or convertible.

(See account Nos. 191, 193 and memorandum record No. NA-10.)

191—Capital stock SBCs—other

This account will represent the value at cost of small business concerns capital stock acquired by the company without conversion privileges or stock purchase warrants or options, or existing on the books as the result of (1) the expiration of the conversion privilege of convertible capital stock of SBCs, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options, obtained in connection with the acquisition of capital stock of small business concerns pursuant to Section 304 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) With cost of such capital stock of SBCs—other acquired through (1) purchase (2) conversion of convertible debt securities or convertible capital stock of SBCs, or (3) exercise of rights conveyed by stock purchase warrants or options issued by small business concerns in connection with their debt securities or capital stock acquired by the company.

(b) With cost of such capital stock of SBCs—other resulting from (1) the expiration of the conversion privilege of convertible capital stock of SBCs, (2) the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or

options, or (3) the detachment of detachable stock purchase warrants or options, obtained in connection with the acquisition of capital stock of small business concerns.

(c) With portion retained by company of the capital stock of SBCs—other in which participations are sold to others.

(d) With amount of participations in capital stock of SBCs—other acquired by or subsequently existing on the books of others without conversion privileges or stock purchase warrants or options.

Credit:

(a) With cost of such capital stock of SBCs—other written off or disposed of otherwise.

Note 1.—It is recommended that individual ledger cards or sheets be maintained for all capital stock of SBCs—other acquired or subsequently existing without conversion privileges or stock purchase warrants or options.

Note 2.—In acquisitions of capital stock through exercise of rights conveyed by stock purchase warrants or options issued by small business concerns in connection with their debt securities or capital stock previously acquired by the company, the amount of the expenditure made by the company in the current acquisition of the capital stock will be considered the cost of the stock in those instances when the stock purchase rights surrendered have only a nominal value; otherwise, the cost of the stock will comprise the current expenditure plus the cost of the warrants or options surrendered.

Note 3.—In conversion of convertible debt securities of small business concerns into capital stock, or in conversions of convertible capital stock of SBCs into another class of capital stock, the value at cost of the particular convertible security should be considered the cost of the capital stock received in the conversion.

(See account Nos. 190, 193, and 197.)

192—Appreciation of capital stock of SBCs

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued capital stock of SBCs above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See account No. 440.)

Note.—See Note 1 to account No. 193.

193—Depreciation of capital stock values

This account will represent the downward valuation of (1) capital stock of SBCs, with stock purchase warrants or options, and/or convertible, and (2) capital stock of SBCs—other, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for capital stock which is written off, sold, or disposed of otherwise.

(c) With amount of writedown of such capital stock, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increase in such reserve.

Note 1.—When capital stock of SBCs is sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 704 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 574. The amount of the reserve which has been established in the account for capital stock sold or disposed of otherwise will be reversed and offset against account No. 445.

Note 2.—Usually, this account will be subdivided into at least two accounts:

193.1 *Allowance for Losses*—represents losses the licensee expects to realize on specific capital stock investments.

193.2 *Other Depreciation of Stock Values*—represents the downward valuation of specific stock investments. However, the licensee's management expects the decline to be temporary and thereby suffer no loss on the investment. An example is a temporary market decline of public tradeable stocks that are unrestricted.

(See account Nos. 190, 192, and 445.)

194—Equity interests of unincorporated concerns

This account will represent the licensee's investment in equity types securities of a limited partnership or other type of unincorporated concern. The account will be maintained on the equity method of accounting basis and will show the licensee's investment after considering its proportionate share of realized income (loss) of the unincorporated concern as well as distributions.

Debit:

(a) With cost of equity interest acquired.

(b) With the licensee's proportionate share of the concern's net income.

Credit:

(a) With the licensee's proportionate share of net loss.

(b) With the licensee's proportionate share of cash distributions.

(c) With the value on equity basis of the licensee's investment when sold or disposed of otherwise.

(See account Nos. 195 and 196.)

195—Appreciation of equity interest of unincorporated concerns

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued equity interests of unincorporated concerns above

the carrying value of such securities on the equity method of accounting.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

Note.—See Note 1 to account 196.

(See account Nos. 194, and 440.)

196—Depreciation of equity interests of unincorporated concerns

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued equity interests of unincorporated concerns below the carrying value of such securities on the equity method of accounting.

Debit:

(a) With decrease in amount of such depreciation resulting from increase in fair value of such equity interests.

(b) With amount of depreciation attributable to equity interests sold or otherwise disposed of.

Credit:

(a) With amount of such depreciation recognized.

(b) With amount of increase in such depreciation recognized.

Note 1.—When equity interests are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 705 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 575. The amount of the reserve which has been established in the account for equity interest sold or disposed of otherwise will be reversed and offset against account No. 445.

Note 2.—This account will usually be the same as allowance for loss on equity interests of unincorporated concerns. Otherwise, the account should be subdivided.

(See account Nos. 194, 195 and 445.)

197—Warrants, options, and other stock rights acquired from SBCs

This account will represent the value at purchase price or at cost as otherwise determined of warrants, options, and other stock rights acquired by the company from small business concerns pursuant to Section 304 of the Small Business Investment Act of 1958, as amended. The account will include conversion rights for which a separate cost has been determined.

Detachable stock purchase warrants or options on stock of SBCs for which no consideration is given distinct from that surrendered for the debt securities or capital stock which they accompany, or for which no separate cost has been determined, will be reflected in memorandum record No. NA-10,

if retained after the financing instruments which they accompanied have been disposed of.

Debit:

(a) With cost of such warrants, options, or other stock rights acquired.

(b) With portion retained by company of the warrants, options, or other stock rights in which participations are sold to others.

(c) With amount of participations in acquisitions by others of warrants, options, or other stock rights.

Credit:

(a) With cost of such warrants, options, or other stock rights surrendered in exercising the stock rights.

(b) With cost of such warrants, options, or other stock rights written off or disposed of otherwise.

(c) With cost of such warrants, options, or other stock rights for which the exercise period has expired.

Note 1.—It is recommended that individual ledger cards or sheets be maintained for all warrants, options, or other stock rights acquired from SBCs.

Note 2.—The cost of warrants, options, and other stock rights acquired from SBCs for a separate consideration will be charged to this account, with a credit to cash. If warrants, options, or other stock rights are acquired from SBCs without a separate consideration and a cost thereof is otherwise determined, such cost will be established in this account. (The determined cost of warrants, options, and other stock rights acquired with debt securities without a separate consideration therefore shall be arrived at giving full consideration to the grade of the debt security.) The payment for the debt security or capital stock certificate which accompanied the stock rights will be allocated between the obligation or stock and the stock rights. Cash will be credited for the determined cost of the stock rights. Cash also will be credited for the amount of the debt security or stock received less the amount withheld from disbursement in relation to the debt security or stock received, which is equivalent to the determined cost of the stock rights plus (in the case of a debt security) any other withholding from net funds advanced. In the purchase of a debt security the deduction equal to the determined cost of the stock rights, plus any other withholding from net funds advanced, will be treated as unearned discount on the debt security and credited to account No. 188—Unearned discount, fees, and other charges on debt securities. In the case of a purchase of capital stock, the deduction equal to the determined cost of the stock rights will serve to reduce the cost of the stock to be recorded in account No. 190—Capital stock of SBCs, with stock purchase warrants or options, and/or convertible.

(See account Nos. 199, 576 and 706.)

198—Appreciation of warrants, options, and other stock rights acquired from SBCs

This account will represent the amount by which the licensee's Board of Directors General Partner(s) has valued warrants, options and other stock rights above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See account Nos. 197, 199 and 440.)

Note.—See Note 1 to account No. 199.

199—Depreciation of warrants, options, and other stock rights acquired from SBCs

This account will represent the Board of Directors/General Partner(s) downward valuation of warrants, options, and other stock rights acquired from SBCs, and should represent an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for warrants, options, and other stock rights acquired from SBCs which are written off, sold, or disposed of otherwise (contra credit will be made to account No. 445).

(c) With amount of writedown of such warrants, options, and other stock rights acquired from SBCs, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

Note 1.—When warrants, options, and other stock rights acquired from SBCs are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received, account 706 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account 576. The amount of the reserve which has been established in the account for warrants, options, or other stock rights acquired, sold or disposed of otherwise will be reversed and offset against account 445.

Note 2.—This account will usually represent the allowance for losses on warrants, options, and other stock right. Otherwise, this account should be subdivided.

(See account Nos. 197, 198, and 445.)

200—Receivables due from debtors on sale of assets acquired in liquidation of portfolio securities

This account will represent the unpaid balance of accounts receivable, notes receivable, sales contracts, purchase money mortgages, and similar evidences of indebtedness to the company arising from the sale of assets acquired in liquidation of portfolio securities.

Debit:

(a) With amount of such receivables.

(b) With amount of participation in amounts due from debtors on sale of assets acquired in liquidation of portfolio securities of other lenders or investors.

Credit:

(a) With amount collected on principal of such receivables.

(b) With amount transferred to account No. 204—assets acquired in liquidation of portfolio securities. (Noncash assets other than receivables obtained on sale of assets acquired in liquidation of portfolio securities should be reflected at cost in account No. 204.)

(c) With unpaid principal balance written off or disposed of otherwise.

Note.—It is recommended that subsidiary records to be maintained in sufficient detail to disclose for report and tax purposes all transactions affecting amounts due from debtors on sale of assets acquired in liquidation of portfolio securities.

(See account Nos. 203, 204.)

203—Depreciation in values of receivables from debtors on sale of assets acquired in liquidation of portfolio securities

This account will represent the downward valuation on amounts due from debtors and securities received on sale of assets acquired in liquidation of portfolio securities, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount due from debtors on sale of assets acquired in liquidation of portfolio securities written off.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

(c) With amount of recoveries on such items written off.

Note.—Occasionally, this account will be subdivided into at least two accounts:

203.1 Allowance for Losses—which represents losses the licensee expects to realize on specific receivables from debtors.

203.2 Other Depreciation of Receivables from Debtors—Represents the Board of Directors/General Partner(s) downward valuation of specific receivables from debtors. However, if securities are held to maturity no loss would be expected. An example is money mortgage discount.

(See account Nos. 200 and 445.)

204—Assets acquired in liquidation of portfolio securities

This account will represent the company's investment in assets acquired by foreclosure, or otherwise, in liquidation of portfolio securities. Judgments, sheriffs' certificates (including property acquired subject to redemption), etc., will be reflected in this account.

The investment in property at the date of acquisition by the company should be

determined by the Board of Directors/General Partner(s) on the most suitable of the following basis: (1) Bid-in price of the property; (2) agreed consideration for the property; (3) fair appraised value of the property. Any remaining indebtedness will be written off unless the company expects further liquidation of the debt from other sources. Insofar as practicable, investment values will be determined for each individual asset, or unit, at the time such assets are recorded in this account, and when an asset is sold only an amount equal to the investment in such asset will be credited to this account.

The company's investment in mortgaged real property acquired in liquidation of portfolio securities should be recorded at gross value as determined by the Board of Directors/General Partner(s), reduced as necessary to bring the net recorded value to no more than the outstanding principal balance of the related portfolio securities involved. The amount of the existing mortgage or mortgages on such property acquired by the company will be reflected in account No. 313.

The company's investment in judgments should be recorded at the face amount of the judgment. When the company acquires the underlying security to the related portfolio securities outright or subject to redemption, the investment in the property should be determined in accordance with the basis set forth in the second paragraph.

Debit:

(a) With amount of the company's investment in the assets at the time of the acquisition.

(b) With amount of the company's investment in the assets at the date of judgment, sheriff's certificate, etc.

(c) With amount of participation in assets acquired by others in liquidation of portfolio securities.

Credit:

(a) With proceeds of partial sale of the assets.

(b) With amount of the company's investment at date of sale, or other disposition of the assets.

(c) With amount written off.

Note 1.—Collateral notes receivable acquired in the liquidation of portfolio securities will be reflected in this account; but notes receivable that are subsequently accepted in connection with the disposition of assets acquired in the liquidation of portfolio securities will be included in account No. 200—Receivables from debtors on sale of assets acquired in liquidation of portfolio securities.

Note 2.—It is recommended that subsidiary records be maintained in sufficient detail to disclose for report and tax purposes all transactions affecting assets acquired in liquidation of portfolio securities.

(See account Nos. 170, 180, 184, and 200.)

205—Appreciation of assets acquired in liquidation of portfolio securities

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued assets acquired above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

Note.—See Note 1 to account No. 206.

(See account Nos. 204, 206, and 440.)

206—Depreciation of assets acquired in liquidation of portfolio securities

This account will represent the downward valuation of assets acquired in liquidation of portfolio securities, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for assets acquired in liquidation of portfolio securities which are written off, sold, or disposed of otherwise (contra credit will be made to account No. 445).

(c) With amount of writedown of such assets acquired in liquidation of portfolio securities, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

Note 1.—When assets acquired in liquidation of portfolio securities are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received, account 707 will be debited for the amount of the loss and account No. 204 will be credited for the related cost value carried therein. If a gain over recorded investment in the assets acquired in liquidation is realized, such gain will be credited to account No. 577. The amount of the reserve which has been established in this account for other assets acquired in liquidation of portfolio securities will be reversed and offset against account 445 when such assets are sold or disposed of otherwise.

Note 2.—This account will usually represent the allowance for losses on other assets acquired in liquidation of portfolio securities. Otherwise, it should be subdivided.

(See accounts Nos. 204 and 445.)

210—Operating concerns acquired

Occasionally, a licensee takes action to protect its investment in a portfolio concern and as a result acquires a controlling interest in an operating concern. In such cases, the licensee will reclassify the aggregate amount due from the portfolio concern to this account. If the concern has ceased operations and is being liquidated, the aggregate amount due from the portfolio concern will be classified as assets acquired in liquidation of

portfolio securities (account No. 204) rather than this account.

Debit:

(a) With total amount of the licensee's investment in the operating concern at the time of the acquisition.

(b) With additional financing provided by the licensee.

Credit:

(a) With amount collected from such operating concern.

(b) With proportionate cost of interest sold or disposed of otherwise.

(c) With amounts written off.

Note.—It is recommended that individual ledger cards or sheets be maintained for individual loans and investments by operating concerns acquired.

(See account Nos. 211 and 212.)

211—Appreciation of operating concerns acquired

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued securities of operating concerns acquired above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See accounts 210, 212, and 440.)

Note.—See Note 1 to account No. 212.

212—Depreciation of operating concerns acquired

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued securities of operating concerns acquired below cost of such securities.

Debit:

(a) With decreases in amount of such depreciation resulting from increases in fair value of such equity interests.

(b) With amount of depreciation attributable to equity interests sold or otherwise disposed of.

Credit:

(a) With amount of such depreciation recognized.

(b) With amount of increase in such depreciation recognized.

Note 1.—When investments in operating concerns are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 708 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein.

If a gain over cost is realized, such gain will be credited to account No. 578. The amount of the reserve which has been established in the account for the investment

sold or disposed of otherwise will be reversed and offset against account No. 445.

Note 2.—Usually, this account will be subdivided into at least two accounts:

212.1 Allowance for Losses—which represents losses the licensee expects to realize on the specific operating concern acquired.

212.2 Other Depreciation of Values—represents the Board of Directors/General Partner(s) downward valuation of specific loans. However, if securities are held to maturity no loss would be expected. An example is money mortgage discount.

(See account Nos. 210, 211, and 445.)

220—Notes and other securities received on sale of portfolio securities

This account will represent the securities taken by the licensee as part of the net sales price of portfolio securities sold.

Debit:

(a) With assigned cost of such securities when acquired.

Credit:

(a) With cost of such securities when sold.
(b) With cost of such securities when written off or disposed of otherwise.

Note 1.—It is recommended that individual ledger cards or sheets be maintained for securities received on sale of portfolio securities.

(See accounts 221, 222, and 223.)

221—Other securities received

This account will represent securities received by the licensee for which no funds were provided and which would not otherwise be classified as loans and investments. An example of such securities would be a dividend in kind received by licensee from a portfolio concern.

Debit:

(a) With fair value of such securities when received.

Credit:

(b) With carrying value of such securities when sold, written off or disposed of otherwise.

(See accounts 220, 222, and 223.)

222—Appreciation of other securities

This account will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued other securities with equity features above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

Note.—See Note 1 to account No. 223.

(See accounts 220, 221, 223, and 440.)

223—Depreciation of other securities

This account will represent the amount by which the licensee's Board of Directors/

General Partner(s) has valued other securities below the carrying value of such securities.

Debit:

(a) With decreases in amount of such depreciation resulting from increase in fair value of such securities.

(b) With amount of depreciation attributable to other securities sold or otherwise disposed of.

Credit:

(a) With amount of such depreciation recognized.

(b) With amount of increase in such depreciation recognized.

Note 1.—When other securities are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 709 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 579. The amount of the reserve which has been established in the account for securities sold or disposed of otherwise will be reversed and offset against account No. 445.

Note 2.—Frequently, this account will be subdivided into at least two accounts:

223.1 Allowance for Losses—represents losses the licensee expects to realize on specific other securities.

223.2 Other Depreciation of Values—represents the Board of Directors/General Partner(s) downward valuation of specific securities. However, if securities are held to maturity, no loss would be expected. An example is money mortgage discount. Another example would be temporary market decline of marketable securities.

(See account Nos. 220, 221, 222, and 445.)

230—Prepaid expenses

This account will represent the unexpired or unconsumed portion of expenses expressly applicable to future periods for which no specific accounts have been provided. Such expenses should be amortized over the appropriate period. An example of such prepaid expense is debt discount and expense that may result from obtaining leverage funds.

Debit:

(a) With amount of prepaid expenses.

Credit:

(a) With the proportional amount of such expenses applicable to the period.

Note.—Subsidiary records should be maintained to identify the items reflected in this account and to facilitate their amortization.

231—Deferred charge

Timing differences will exist between accounting income and taxable income and thereby may cause a prepayment of taxes which is considered to be a deferred charge to future tax expense. The prepayment is based on accounting income and primarily will result from provision for loss on stock of SBCs. This account will represent such deferred charges recognized.

Debit:

(a) Such account for amounts when prepaid.

Credit:

(a) Such account for amounts that have been previously prepaid that are being applied during the period.

(See account No. 380.)

240—Furniture and equipment

This account will represent the cost of furniture, fixtures, and equipment, including automobiles, owned by the company. The cost of freight, drayage, cartage, express, etc., in connection with the purchase of such items of furniture and equipment, will be included in this account.

Debit:

(a) With cost of such assets purchased.

Credit:

(b) With cost of such assets at the time of sale or other disposition.

Note.—An inventory record should be maintained for all such assets and each item should be tagged or numbered to facilitate ready identification.

(See account No. 241.)

241—Accumulated depreciation of furniture and equipment

This account will represent the valuation reserve provided for depreciation of furniture, fixtures, and equipment, including automobiles, owned by the company. This account should be maintained in an amount not less than a conservative estimate of the expired service life of such assets while owned by the company.

Debit:

(a) With amount of depreciation accumulated, when such an asset is sold or disposed of otherwise.

Credit:

(a) With amount necessary to depreciate the cost of such assets over the estimated service life.

(See account Nos. 240 and 655.)

250—Corporate premises owned

This account will represent the actual cost of acquisition of the land and building used as the company's office quarters. The account also will include the actual cost of any improvements, such as street, sidewalk and other benefits, applicable to the land, and any improvements applicable to the building.

Debit:

(a) With actual cost of acquisition of the land and building.

(b) With actual cost of any improvement to the land and/or building.

Credit:

(a) With the acquisition cost of the land and/or building, plus the cost of improvements made thereto, when the land and/or building is sold or disposed of otherwise.

(See account No. 251.)

251—Accumulated depreciation of corporate premises owned

This account will represent the valuation reserve provided for depreciation of the building and other depreciable improvements of corporate premises owned and used as the company's office quarters. This account should be maintained in an amount not less than a conservative estimate of the expired

service life of such building and improvements while owned by the company.

Debit:
(a) With amount of depreciation accumulated, when such an asset is sold or disposed of otherwise.

Credit:
(a) With the amount necessary to depreciate the cost of such assets over the estimated service life.

(See account Nos. 250 and 655.)

252—Leasehold improvements

This account will represent the actual cost of improvements to leased property used as the company's office quarters. The amount of this account will be amortized through account No. 656 over the life of the lease or the life of the improvements, whichever is the shorter.

Debit:
(a) With actual cost of improvements to leasehold.

Credit:
(a) With the amount necessary to amortize the cost of leasehold improvements.

265—Amounts due from directors, officers, general partners, limited partners and employees

This account will represent the unpaid balance of amounts advanced to directors, officers, general partners, limited partners and employees.

Debit:
(a) With amount of such advances made.

Credit:
(a) With amount collected on such advances.
(b) With amount transferred to appropriate expense classification upon proper authorization.

(c) With amount written off or disposed of otherwise.

(See account No. 709.)

266—Organization costs

This account will represent the amount of legal fees, promotional expense, stock certificate cost, incorporation fees, taxes, and other related costs incurred in organizing the company.

Debit:
(a) With amount of such costs incurred.

Credit:
(a) With the amount necessary to amortize the organization costs.

(See account No. 672.)

267—Funds in escrow

This account will represent the amount of funds placed in escrow pending the closing of financing for small business concerns.

Debit:
(a) With amount of funds placed in escrow.

Credit:
(a) With amount of funds withdrawn from escrow.

269—Other assets

This account will represent the amount of assets of the company, at cost, not specifically provided for in other accounts, including recoverable amounts advanced for the protection and preservation of the company's investments (such as the payment of taxes on mortgaged property), but not

including short-term loans or debt securities issued to protect the company's interests in previously issued long-term loans or equity securities.

Debit:
(a) With amount of the company's investment in such assets.

Credit:
(a) With amount of such assets sold or disposed of otherwise.

(See account No. 709.)

Liability Accounts

300—Notes payable to SBA

This account will represent the long-term principal balance of notes payable (1) for funds borrowed and received directly from the Small Business Administration and (2) for funds borrowed from others through guaranteed loans which subsequently have been purchased by the Small Business Administration.

Debit:
(a) With amount of principal payments made on such notes.
(b) With amount of principal transferred to current maturities.

Credit:
(a) With amount of funds borrowed.
(b) With unpaid principal balance of guaranteed loans purchased by SBA (contra debit will be made to account No. 310).
(See account 330.)

301—Debentures payable issued to SBA

This account will represent the loan-term principal balance of funds received by the company under its debentures payable issued to the Small Business Administration for funds borrowed.

Debit:
(a) With amount of principal payments made to SBA on such debentures.
(b) With amount of principal transferred to current maturities.

Credit:
(a) With amount of funds received from SBA under such debentures.
(See account 330.)

310—Notes payable to other than SBA—guaranteed by SBA

This account will represent the long-term principal balance of notes payable for funds borrowed from other than the Small Business Administration and guaranteed by the Small Business Administration.

Debit:
(a) With amount of principal payments made on such notes.
(b) With unpaid principal balance of guaranteed loans purchased by SBA (contra credit will be made to account No. 300).

(c) With amount of principal transferred to current maturities.

Credit:
(a) With amount of funds borrowed.
(See account 330.)

311—Notes payable to other than SBA—not guaranteed by SBA

This account will represent the loan-term principal balance of notes payable for funds borrowed from other than the Small Business Administration and not guaranteed by the Small Business Administration.

Debit:

(a) With amount of principal payments made on such notes.
(b) With amount of principal transferred to current maturities.

Credit:

(a) With amount of funds borrowed.
(See account 331.)

312—Mortgages payable for funds borrowed

This account will represent the long-term principal balance of mortgages payable for funds borrowed on corporate premises or other real estate owned by the company. Purchase money mortgages, conditional sales contracts, or similar documentary evidence of indebtedness given by the company in the acquisition of real property will be included in this account.

Debit:
(a) With amount of principal payments made on such indebtedness.
(b) With amount of principal transferred to current maturities.

Credit:
(a) With amount of funds borrowed.
(See account 331.)

313—Mortgages payable on assets acquired in liquidation of portfolio securities

This account will represent the unpaid principal balance of existing mortgages payable on assets acquired by the company in liquidation of portfolio securities.

Debit:
(a) With amount of principal payments made on such indebtedness.
(See account No. 204.)

320—Notes payable—other

This account will represent the unpaid principal balance of notes payable in evidence of amounts owned by the company other than for funds borrowed. Notes payable, conditional sales contracts, and liens for the acquisition of furniture, fixtures, equipment, and automobiles will be included in this account.

Debit:
(a) With amount of principal payments made on such notes.
(See account No. 204.)

330—Current maturities of notes and debentures payable to or guaranteed by SBA

This account will represent the principal amount due on a current basis (payable by the licensee in the next 12 months of operations) of long-term debt shown in accounts 300, 301 and 310.

Debit:
(a) With amounts paid by the licensee or disposed of otherwise.

Credit:
(a) With amounts that become due by the licensee on a current basis.
(See account Nos. 300, 301, and 310.)

331—Current maturities of notes and debentures payable to others not guaranteed by SBA

This account will represent the principal amount due on a current basis (payable by the licensee in the next 12 months of operations) of long-term debt shown in accounts 311 through 313.

Debit:

(a) With amounts paid by the licensee or disposed of otherwise.

Credit:

(a) With amounts that become due by the licensee on a current basis.

(See account Nos. 311 through 313.)

340—Accounts payable

This account will represent amounts payable on open account. The account also will include accrued compensation payable for services rendered to the company on its participations in financing transactions, and accrued commitment fees payable for having funds made available on a deferred basis by "participating" companies in connection with the financing of, or commitments to finance, small business concerns.

Debit:

(a) With amount of such indebtedness paid, or disposed of otherwise.

Credit:

(a) With amount of such indebtedness incurred.

Note 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

Note 2: A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies.

(See account Nos. 141, 600, and 715.)

341—Accounts payable due parent and partners

This account will represent payables due parent from licensee. Payables due parent will generally be from one of two sources: (1) Expenses shared (pro-rata with the parent, paid by the parent but not yet reimbursed by the licensee and/or (2) parent (and/or consolidated group) has a tax loss from which the licensee has received a tax benefit.

Debit:

(a) Cash paid to parent and partners.

(b) Income taxes due from licensee but paid by the parent.

Note: The above debit can only arise when the licensee has had the benefit of a prior tax loss from the filing of a consolidated return.

Credit:

(a) Licensee's share of any expense shared with parent and paid by parent.

(b) Licensee's share of any tax benefit resulting from the filing of a consolidated tax return with the parent if the licensee has

taxable income but the consolidation has a loss.

(c) Any other payable due parent or partner arising from any other source.

350—Accrued interest payable

This account will represent the amount of liability for interest accrued on the company's notes, mortgages and debentures payable. The account will also include accrued interest payable on other interest-bearing obligations of the company.

Debit:

(a) With amount of such interest paid or disposed of otherwise.

Credit:

(a) With amount of such interest accrued on all interest-bearing obligations covered by this account.

351—Accrued taxes

This account will represent the balance of accrued taxes on payroll, such as the company's portion of social security taxes, which have not been remitted to the appropriate collectors of such taxes.

Debit:

(a) With amount of such taxes paid.

Credit:

(a) With amount of such taxes accrued. (See account No. 664.)

354—Estimated income taxes accrued

This account will include the balances in subaccounts Nos. 354.1, 354.2, 354.3, etc.

354.1 Estimated Federal income taxes accrued—This account will represent the balance of estimated Federal income taxes accrued which have not been remitted to the Internal Revenue Service.

Debit:

(a) With amount of such taxes paid.

Credit:

(a) With amount of such taxes accrued. (See subaccounts Nos. 720.1 and 722.1.)

354.2 Estimated State income taxes accrued—This account will represent the balance of estimated State income taxes accrued which have not been remitted to the appropriate collector of such taxes.

Debit:

(a) With amount of such taxes paid.

Credit:

(a) With amount of such taxes accrued. (See subaccounts Nos. 720.2 and 722.2.)

358—Other current liabilities

This account will represent other current liability not provided for in other accounts.

Debit:

(a) With amount of such expenses paid or disposed of otherwise.

Credit:

(a) With amount of such expenses accrued.

Note.—Increases or decreases in the liability for accrued expenses, through accruals or adjustments, will be offset by increases or decreases, respectively, in the appropriate expenses accounts.

360-364—Dividends payable on (Type of class) — capital stock

These accounts will represent the company's liability for dividends declared by the company's Board of Directors on the respective types and classes of capital stock issued and outstanding. A separate account

should be used to reflect the dividends payable for each type and class of capital stock outstanding.

Debit:

(a) With amount of such dividends paid.

Credit:

(a) With amount of such dividends declared payable by the company's Board of Directors.

365-369—Partnership distributions payable to general partners/limited partners

Debit:

(a) With the amount of distributions paid.

Credit:

(a) With the amount of distributions accrued.

370—Employee taxes withheld

This account will represent the amount of income and social security taxes withheld from employee's salaries which have not been remitted to the appropriate collectors of such taxes.

Debit:

(a) With amount of such taxes remitted.

Credit:

(a) With amount of such taxes withheld.

374—Unapplied receipts

This account will represent the amount of funds received by the company which have not been applied to loans, debt securities, interest receivable, etc. This account will be used only in instances when the funds received cannot be applied promptly.

Debit:

(a) With amount of such funds applied or disposed of otherwise.

Credit:

(a) With amount of funds received which cannot be applied promptly.

378—Miscellaneous trust receipts

This account will represent the liability of the company for funds withheld or received in trust, for which no specific account is provided, including earnest money deposits, and funds withheld from employees' salaries for the purpose of United States Savings Bonds, payment of group life insurance premiums, payment of pension fund contributions, etc. The account will also include amounts due other companies that are participants in financing where the licensee is the sponsor and is servicing the debt.

Debit:

(a) With amount of such funds disbursed or disposed of otherwise.

Credit:

(a) With amount of such funds withheld or received.

380—Deferred credit to future taxes

Timing differences will exist between accounting income and taxable income and thereby cause a deferment of tax expense. Such deferred credits usually will result from provision for loss on loans and debt securities. This account will represent such deferred tax payments.

Debit:

(a) Such account with amount of taxes paid which had been previously deferred.

Credit:

(a) Such account with amount of tax payments when deferred.

(See account Nos. 231 and 448.)

383—Other deferred credits

This account will represent the amount of deferred credits of the company not specifically provided for in other accounts.

The account will include any gain on sale of assets which does not qualify as realized gain.

Debit:

(a) With amount of such deferred credits transferred to income or gain, or disposed of otherwise.

Credit:

(a) With amount of such deferred credits established.

Note 1.—Accrual of interest receivable should be discontinued with respect to any loan or debt security financing a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be treated as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in this account, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to licensee over 6 months, or the fair value of the loan or debt security as determined in good faith by the Board of Directors/General Partner(s) is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrual of interest receivable, or, as an alternative, the interest income should be deferred in this account as above indicated.

Note 2.—Deferred gain in this account will be transferred to appropriate gain accounts as it is realized.

390—Other liabilities

This account will represent the amount of liabilities of the company not specifically provided for in other accounts.

Debit:

(a) With amount of such liabilities paid or disposed of otherwise.

Credit:

(a) With amount of such liabilities incurred.

Capital Accounts

400-404 ———— *capital stock authorized.*

(a) With original amount of such capital stock authorized.

(b) With additional amounts of such capital stock authorized.

(See account Nos. 405-409 and "Note" of accounts Nos. 415-419.)

405-409 ———— *unissued capital stock.*

(Type and class)

These accounts will represent the total par or stated value of unissued capital stock of the company. A separate account should be provided for each type and class of unissued capital stock.

Debit:

(a) With original amount of such unissued capital stock, as provided for in the company's charter.

(b) With additional amounts of such unissued capital stock authorized.

(c) With par or stated value of capital stock retired.

Credit:

(a) With amount of such capital stock issued (contra debit will be made to accounts Nos. 410-411).

(b) With amount of reductions of capital stock authorized.

(See account Nos. 400-404 and "Note" of accounts Nos. 415-419.)

410-411 ———— *capital stock subscribed.*

(Type and class)

These accounts will represent the total amount at the subscription price of the company's capital stock subscribed. A separate account should be provided for each type and class of capital stock subscribed. These accounts will reflect the company's responsibility to issue shares of its stock to subscribers who have made final payment of their capital stock subscriptions.

Debit:

(a) With amount at the subscription price of such subscribed capital stock issued (contra credits will be made to accounts Nos. 405-409 and, as appropriate, No. 420).

(b) With amount at the subscription price of such subscribed capital stock canceled or disposed of otherwise.

Credit:

(a) With amount at the subscription price of such capital stock subscribed.

(See account Nos. 413-414 and "Note" of accounts Nos. 415-419.)

413-414 ———— *Capital stock subscriptions receivable*

(Type and class)

These accounts will represent the total unpaid balances of capital stock subscriptions receivable from subscribers of the company's authorized capital stock. A separate subscriptions receivable account should be provided for each type and class of capital stock subscribed.

Debit:

(a) With amount of such capital stock subscriptions received.

Credit:

(a) With amount collected on such capital stock subscriptions.

(b) With amount of such capital stock subscriptions canceled or disposed of otherwise.

(See account Nos. 410-411 and "Note" of accounts Nos. 415-419.)

415-419 ———— *Treasury stock*

(Type and class)

These accounts will represent the total amount of the company's issued capital stock which has been reacquired through purchase or donation and has not been retired. A separate account should be provided for each type and class of such capital stock held by the company.

Debit:

(a) With cost of such capital stock acquired through purchase.

(b) With amount of fair market value or par value of such capital stock acquired through donation (contra credit will be made to account No. 420).

Credit:

(a) With cost of such capital stock acquired through purchase, when sold or disposed of otherwise.

(b) With amount of fair market value or par value of such capital stock acquired through donation, when sold or disposed of otherwise.

Note.—Appropriate subsidiary records should be maintained as deemed necessary.

420—Paid-in surplus

This account will represent the amount of surplus arising from (1) sales initially of the company's capital stock at a price in excess of par value (including amounts transferred from capital stock subscribed at a price above par, when shares are issued); (2) donations to the company of its issued capital stock carried as treasury stock at fair market value or par value; (3) retirements of capital stock purchased at less than the par value thereof; (4) sales of treasury stock in excess of its carrying value on the books of the company; (5) donations or gifts to the company of assets carried at not in excess of fair market value; and (6) other equity transactions with stockholders.

Debit:

(a) With amount of loss on treasury stock sold which was acquired through purchase, but not to exceed the total paid-in surplus. (Any amount of loss in excess of the total of such credits will be charged to account No. 451).

(b) With amount received by the company below fair market value, or par value, whichever applicable, for treasury stock sold which was acquired through donations.

(c) With amount paid by the company in excess of par value, but not to exceed the premium received initially, for shares of capital stock retired (any amount paid in excess of par plus initial premium received will be charged to account No. 451).

Credit:

(a) With amount paid in (including stock dividends from undistributed earnings), or transferred from capital stock subscribed,

(Type and class)

These accounts will represent the total par or stated value of the capital stock authorized, as provided for in the company's charter. A separate account should be provided for each type and class of capital stock authorized.

Debit:

(a) With amount of reductions of such capital stock authorized.

Credit:

representing the excess after deduction of underwriters' fees and commissions) over par value of the company's capital stock, when shares are issued.

(b) With amount of fair value or par value of the company's capital stock acquired through donation.

(c) With amount of discount below par value of the company's capital stock acquired through purchases, when such stock is retired.

(d) With amount received by the company in excess of cost, or in excess of fair value or par value, whichever applicable, for treasury stock sold.

(e) With amount not to exceed fair market value of donations or gifts of assets to the company.

430—3% Cumulative preferred stock (Issued to SBA)

This account will be used by 301(d) licensees only and will represent the preferred stock sold to the Small Business Administration at its par value by the licensee. Such stock is not included in capital stock accounts Nos. 400 and 414 because such stock is not considered private capital for leverage or regulatory purposes.

Debit:

(a) Such account with the par value of preferred stock repurchased by the licensee.

Credit:

(a) Such account with the par value of preferred stock sold to SBA by the licensee.

440—Stockholders' unrealized appreciation on loans and investments

This is a credit balance account and will represent the amount by which the licensee's Board of Directors/General Partner(s) has valued loans and investments above cost of such securities.

Debit:

(a) With decrease in amount of appreciation resulting from decline in fair value of securities held.

(b) With amount of appreciation attributable to securities sold or disposed of otherwise.

Credit:

(a) With amount of such appreciation recognized.

(b) With amount of increase in such appreciation recognized.

(See account Nos. 171, 186, 192, 195, 198, 205, 211, and 222.)

Note.—In the case of distributions in kind to stockholders, this account will be debited with an amount not less than the amount of unrealized gain reported on the most recent 468 for the asset being distributed. The offsetting credit will be to account No. 450, Non-cash gains.

445—Stockholders' unrealized depreciation on loans and investments

This is a debit balance account and will represent the amount by which the licensee's Board of Directors has valued loans and investments below cost of such securities.

Debit:

(a) With amount of "depreciation" of loans and investments recognized.

(b) With amount of increase in such depreciation recognized.

Credit:

(a) With decrease in the amount of depreciation resulting from increase in fair value of securities held.

(b) With amount of depreciation attributable to securities sold or disposed of otherwise.

(See account Nos. 172, 187, 193, 196, 199, 203, 206, 212 and 223.)

448—Stockholders' estimated taxes on net unrealized gain (loss) on securities held

This is a debit balance account that will represent the provision for income taxes on net unrealized appreciation (amount by which the Board of Directors valuation of all securities exceeds cost). As the valuation of securities changes, the provisions for taxes will change.

Debit:

(a) With provisions for taxes established on net unrealized gain.

(b) With increases in provisions for taxes.

Credit:

(a) With established provision for taxes attributable to securities sold or disposed of otherwise.

(b) With decrease in provision established. (See account No. 380.)

450—Stockholders' non-cash gains on sale of securities

This is a credit balance account and represents gains realized on sale of securities that have not been converted to cash. While considered to be undistributed earnings, amounts in this account will not be available for distribution or capitalized by corporate action. Therefore, such amounts are considered restricted undistributed earnings realized.

Debit:

(a) With amount of cash collected of such non-cash gains previously recognized.

(b) With amount of non-cash gains written off or disposed of otherwise.

(c) With the amount previously credited to this account from stockholders' unrealized appreciation on loans and investments.

Credit:

(a) With amounts of non-cash gain when the securities generating such gain are sold.

(b) With the amount of unrealized gain on the asset being distributed. This is the amount debited to account No. 440.

Note.—It is recommended that individual records be maintained for each non-cash gain realized.

(See account Nos. 462, 220, 579 and 709.)

451—Stockholders' undistributed net realized earnings

This is a credit balance account and represents the cumulative balance of periodic net investment income including realized gain (loss) on securities sold, less dividend distributions whether cash, stock, or cost portions of dividends in kind. Non-cash gain on sale of securities are included in account No. 450.

Debit:

(a) At the end of the fiscal year, with any debit balance in account No. 460 reflected in the profit and loss summary account, and/or the realized gain and loss summary account No. 461.

(b) With amount of dividends, other than stock dividends declared payable out of undistributed net realized earnings by the company's Board of Directors.

(c) With amount of stock dividends, at a per share value representing the higher of fair value existing at the time that the dividend is declared, which are declared by the company's Board of Directors and paid out of undistributed net realized earnings.

(d) With appropriate amount of loss on treasury stock sold which was acquired through purchase, representing the excess of such loss over the total of credits residing in paid-in surplus, account No. 420, relating to previous gains on treasury stock sold or retirement of capital stock at amounts less than the amounts previously paid in with respect thereto.

(e) With appropriate amount paid by the company in excess of par plus initial premium received on the type and class of shares of capital stock retired.

Credit:

(a) At end of the fiscal year, with the credit balances of the profit and loss summary account, No. 460 and the realized gain and loss summary account, No. 461.

(See account Nos. 450, 460, 461 and 462.)

460—Stockholders' profit and loss summary

This account will be used as a clearing account through which all income and expense accounts on the books of the company will be closed.

Debit:

(a) At end of the fiscal year, with the debit balance of all expense and income accounts.

(b) At the end of the year with any credits arising from investments in management service subsidiaries or unincorporated businesses reported on the equity method of accounting.

(c) At the end of the fiscal year, with the credit balance of the account (transfer to undistributed net realized earnings—account No. 451).

Credit:

(a) At the end of the fiscal year, with the credit balances of all income and expense accounts.

(b) At the end of the year, by means of a journal entry, credit profit and loss summary with the amount of cash received from a management services subsidiary and/or unincorporated business which is not in excess of amounts previously charged to Profit and Loss summary that were credited to account No. 463—Stockholders' non-cash income from investments reported on the Equity Method of Accounting.

(c) At the end of the fiscal year, with the debit balance of the account (transfer to undistributed net realized earnings—account No. 451).

(See account No. 451.)

461—Stockholders' realized gain and loss summary in cash

This account will be used as a clearing account through which all accounts for realized gains and losses on investments on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the balance of all accounts for losses on investments.

(b) At the end of the fiscal year, with the credit balance of the account (transfer to retained earnings).

Credit:

(a) At the end of the fiscal year, with the balance of all accounts for gains on investments.

(b) At the end of the fiscal year, with the debit balance of the account (transfer to retained earnings).

(See account No. 451.)

462—Stockholders non-cash realized gain summary

This account will be used as a clearing account through which all accounts for non-cash realized gains on investment on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the credit balance of the account (transfer to non-cash gains on sale of securities)—account No. 450.

Credit:

(a) At the end of the fiscal year, with the amounts of non-cash gains on investments sold during the period and recognized in accounts 572 through 579.

(See account Nos. 450 and 461.)

463—Stockholders non-cash income from investments reported on the Equity Method of Accounting

This account will be used as a clearing account for income from any investment being reported on the Equity Method of Accounting rather than on the Value Method of Accounting. Generally this will be from investments in management services subsidiaries and/or investments in unincorporated small businesses concerns. Licensee's losses will not be reported in this account.

Debit:

(a) At the end of the fiscal year by a journal entry debit with the amount of cash received from investments reported on the Equity Method of Accounting but not in excess of amounts previously credited to the account from account 460 on the same investment.

Credit:

(a) At the end of the fiscal year credit with the amount of the licensee's share of income from investments reported on the Equity Method of Accounting.

Note: It is suggested that subsidiary records be kept of each investment being reported on the Equity Method of Accounting. Income from each investment is to be treated as a separate item.

Losses are not reported through this account but remain in account 460.

465—Partners' profit and loss summary

This account will be used as a clearing account through which all income and expense accounts on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the debit balance of all expense and income accounts.

(b) At the end of the fiscal year with any credit arising from management services investments or unincorporated businesses reported on the Equity Method of Accounting.

(c) At the end of the fiscal year, with the credit balance (transfer to the appropriate partners' undistributed net realized earnings account, i.e., account 493—Corporate General Partners' undistributed net realized earnings, 494—Individual General Partners' undistributed net realized earnings and 496—Limited Partners' undistributed net realized earnings.)

Credit:

(a) At the end of the fiscal year, with the credit balance of all income and expense accounts.

(b) At the end of the fiscal year, by means of a journal entry, credit profit and loss summary with the amount of cash received from a management services investment and/or unincorporated business which is not in excess of amounts previously charged to Profit and Loss Summary that were credited to Account 486—Partners Non-cash Income from Investment Reported on the Equity Method of Accounting.

(c) At the end of the fiscal year, with the debit balance of the account (transfer to the appropriate partners' Undistributed net realized earnings, i.e., 493, 494 and 496).

466—Partners' realized gain and loss summary-in cash

This account will be used as a clearing account through which all accounts for realized gains and losses on investments on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the balances of all accounts for losses on investments.

(b) At the end of the fiscal year, with the credit balance of the account (transfer to the appropriate partners' undistributed net realized earnings, i.e., 493, 494, and 496).

Credit:

(a) At the end of the fiscal year, with the balances of all accounts for gains on investments.

(b) At the end of the fiscal year, with the debit balance of the account (transfer to the appropriate partners' undistributed net realized earnings, i.e., 493, 494, and 496).

467—Partners' non-cash realized gain summary

This account will be used as a closing account through which all accounts for realized gains and losses on investments on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the credit balance of the account (transfer to the appropriate partners' non-cash gains on sale of securities, i.e., 491—Corporate General Partners' non-cash gain on sale of securities, 492—Individual General Partners' non-cash gain on sale of securities, and 495—Limited Partners non-cash gain on sale of securities.

Credit:

(a) At the end of the fiscal year, with the amounts of non-cash gains on investments sold during the period and recognized in accounts 572 through 579.

468—Partners' non-cash income from investments reported on the Equity Method of Accounting

This account will be used as a clearing account for income from any investment being reported on the Equity Method of Accounting rather than on the Value Method of Accounting. Generally this will be from investments in management service investments and/or investments in unincorporated small business concerns. Licensee's losses will not be reported in this account.

Debit:

(a) At the end of the fiscal year by a journal entry, debit with the amount of cash received from investments reported on the Equity Method of Accounting but not in excess of amounts previously credited to the account from account 465.

Credit:

(a) At the end of the fiscal year credit with the amount of the licensee's share of income from investments reported on the Equity Method of Accounting.

Note 1: It is suggested that subsidiary records be kept of each investment being reported on the Equity Method of Accounting. Income from each investment is to be treated as a separate item.

Losses are not reported through this account but remain in account 465.

Note 2: This account should be divided into 468.1 for general partners and 468.2 for limited partners.

470—General Partners' Permanent Capital Contribution Summary

This is a summary account reflecting the balances of all general partners' capital contributions. The credit balance in this account represents the amount of general partners' capital contributions that is a component in the computation of regulatory capital for leverage and overline purposes.

471—Corporate General Partners' Permanent Capital Contribution

This account respects the amount of the corporate general partners' capital contribution available for computation of regulatory capital.

Debit:

(a) Debit with the amount of any withdrawal during the fiscal period of capital contributions available for leverage.

Credit:

(a) Credit with the amount of additional cash contributed to the general partners' permanent capital contribution that is available for SBA leverage purposes.

(b) Credit with the amount transferred from account 493—Corporate General Partners' undistributed net realized earnings to increase the amount of capital available for SBA leverage and overline purposes.

Note 1.—This account performs the same function for a partnership licensee as a capital stock account performs for a corporate licensee. It represents capital available for leverage purposes, subject to certain regulatory adjustments.

Note 2.—This account performs an additional function for the partnership

licensee. The credit balance in this account may be used to determine the percent of interest a corporate general partner has in the following items: (a) general partners' unrealized appreciation (depreciation), (b) general partners non-cash income from investments reported on the Equity Method of Accounting, (c) general partners' non-cash gain on sale of securities and (d) general partners undistributed net realized earnings.

Note 3.—Usually there is no relationship between the amount of capital contributed by general partners to the total partnership capital and the general partners' share of profits, losses and gains on securities. The ratio of the general partners' share of profits and gains is determined by the partnership agreement.

472—Individual General Partners' Permanent Capital Contribution

This account corresponds to account 471.

Debit:

(a) Debit with the amount of any withdrawals during the fiscal period of capital contributions available for leverage.

Credit:

(a) Credit with the amount of additional cash contributed to general partners' capital contribution that is available for computation of regulatory capital.

(b) Credit with the amount transferred from account 494—individual general partners undistributed net realized earnings to increase the amount of capital available for SBA leverage and overline purposes.

Note 1.—See notes 1, 2, and 3 to account 471.

Note 2.—It is suggested that subsidiary records be kept for each general partner.

475—Limited Partners Capital Permanent Contribution Summary

This is a summary amount reflecting the balance of all limited partners capital contributions. The credit balance in this account represents the amount of limited partners capital contributions that is available for computation of regulatory capital.

Note.—This account performs the same function for limited partners as account 470 performs for general partners.

476—Limited Partners Permanent Capital Contribution

This account performs the same function for limited partners that accounts 471 and 472 perform for general partners.

Debit:

(a) Debit with the amount of any withdrawals during the fiscal period of capital contributions available for computation of regulatory capital.

Credit:

(a) Credit with the amount of additional cash contributed to limited partners' permanent capital contribution that is available for computation of regulatory capital.

(b) Credit with the amount transferred from account 496—Limited Partners Undistributed Net Realized Earnings to increase the amount of capital available for computation of regulatory capital.

Note 1.—The same rules apply to limited partners as apply to general partners. See Notes 1, 2, and 3 to account 471.

Note 2.—It is suggested that subsidiary records be kept for each limited partner.

481—Corporate General Partners' Unrealized Appreciation on Loans and Investments

This is a credit balance account representing the corporate general partners' share of the amount by which the general partner(s) has valued loans and investments above the cost of such securities.

Debit:

(a) With the decrease in the amount of appreciation resulting from the decline in fair value of securities held.

(b) With the amount of appreciation attributable to securities sold or disposed of otherwise.

Credit:

(a) With the amount of such appreciation recognized.

(b) With the amount of increase in such appreciation recognized.

(See account Nos. 171, 186, 192, 195, 198, 205, 211, and 222.)

482—Individual General Partner(s) Unrealized Appreciation on Loans and Investments

This is a credit balance account representing the individual general partners' share of the amount by which the general partner(s) has valued loans and investments above the cost of such investments.

Debit:

(a) With the decrease in the amount of appreciation resulting from the decline in fair value of securities held.

(b) With the amount of appreciation attributable to securities sold or disposed of otherwise.

Credit:

(a) With the amount of such appreciation recognized.

(b) With the amount of increase in such appreciation recognized.

(See account Nos. 171, 186, 192, 195, 198, 205, 211 and 222.)

483—Corporate General Partners' Depreciation on Loans and Investments

This is a debit balance account and will represent the corporate general partners' share of the amount by which the licensee's general partner(s) has valued loans and investments below the cost of such securities.

Debit:

(a) With the amount of "depreciation" of loans and investments recognized.

(b) With the amount of increase in such depreciation recognized.

Credit:

(a) With the decrease in the amount of depreciation resulting from the increase in fair value of securities held.

(b) With the amount of depreciation attributable to securities sold or disposed of otherwise.

(See account Nos. 172, 187, 193, 196, 199, 203, 206, 212 and 222.)

484—Individual General Partners' Depreciation on Loans and Investments

This is a debit balance account and will represent the individual general partners'

share of the amount by which the licensee's general partner(s) has valued loans and investments below the cost of such securities.

Debit:

(a) With the amount of "depreciation" of loans and investments recognized.

(b) With the amount of increase in such depreciation recognized.

Credit:

(a) With the decrease in the amount of depreciation resulting from the increase in fair value of securities held.

(b) With the amount of depreciation attributable to securities sold or disposed of otherwise.

(See account Nos. 172, 187, 193, 196, 199, 203, 206, 212, and 222.)

485—Limited Partners Unrealized Appreciation on Loans and Investments

This is a credit balance account and will represent the limited partners share of the amount by which the general partner(s) has valued loans and investments above the cost of such securities.

Debit:

(a) With the decrease in the amount of appreciation resulting from the decline in the fair value of securities held.

(b) With the amount of appreciation attributable to securities sold or disposed of otherwise.

Credit:

(a) With the amount of such appreciation recognized.

(b) With the amount of increase in such appreciation recognized.

(See account Nos. 171, 186, 192, 195, 198, 205, 211 and 222.)

486—Limited Partners Unrealized Depreciation on Loans and Investments

This is a debit balance account and will represent the limited partners share of the amount by which the general partner(s) has valued loans and investments below the cost of such securities.

Debit:

(a) With the amount of "depreciation" of loans and investments recognized.

(b) With the amount of increase in such depreciation recognized.

Credit:

(a) With the Decrease in the amount of depreciation resulting from the increase in fair value of securities held.

(b) With the amount of depreciation attributable to securities sold or disposed of otherwise.

(See account Nos. 172, 187, 193, 196, 199, 203, 206, 212 and 222.)

491—Corporate General Partners' Non-cash Gains on Sale of Securities

This is a credit balance account and represents the corporate general partners' share on gains realized on the sale of securities that have not been converted to cash. While considered to be undistributed earnings, the amounts in this account will not be available for distribution or capitalized by partnership action transferring amounts to Partners' Permanent Capital Contribution for SBA leverage. Therefore, such amounts are considered restricted undistributed earnings realized.

Debit:

- (a) With the amount of cash collected from non-cash gains previously recognized.
 (b) With the amount of non-cash gains written off or disposed of otherwise.

Credit:

- (a) With the amounts of non-cash gain when the securities generating such gain are sold.

Note.—It is recommended that individual records be maintained for each non-cash gain realized.

(See account Nos. 467, 220, 579, and 709.)

492—Individual General Partners' Non-cash Gain on Sale of Securities

This is a credit balance account that performs the same function for individual general partners as account 491 performs for corporate general partners.

Debit:

- (a) With the amount of cash collected from non-cash gains previously recognized.
 (b) With the amount of non-cash gains written off or disposed of otherwise.

Credit:

- (a) With the amount of non-cash gain when the securities generating such gain are sold.

Note.—It is recommended that individual records be maintained for each non-cash gain realized.

(See account Nos. 467, 220, 579, and 709.)

493—Corporate General Partners' Undistributed Net Realized Earnings

This is a credit balance account and represents the corporate general partners' share of the limited partnership's cumulative balance of periodic net investment income including realized gain (loss) on securities sold less partnership distributions whether cash, stock or in kind and less non-cash gain on sales of securities which are included in account 491.

Debit:

- (a) At the end of the fiscal year, with the corporate general partners' share of any debit balance in account (a) 465—Partners' profit and loss summary and/or (b) the debit balance in Account 466—Partners' realized gain and loss summary in cash.

- (b) With the amount of distributions made to corporate general partners' whether cash, stock and/or in kind.

- (c) With the amount transferred to corporate general partners' capital contribution account 471 for SBA leverage purposes.

Credit:

- (a) At the end of the fiscal year with the corporate general partners' share of any credit balance in (a) account 465—Partners' profit and loss summary and/or (b) the debit balance in account 466—Partners' realized gain and loss summary in cash.

494—Individual General Partners' Undistributed Net Realized Earnings

This is a credit balance account and represents the individual general partners' share of the limited partnership's cumulative balance of periodic net investment income including realized gain (loss) on securities sold less partnership distributions whether cash, stock or in kind and less non-cash gain

on sales of securities which are included in account 492.

Debit:

- (a) At the end of the fiscal year, with the individual general partners' share of any debit balance in account (a) 465—Partners' profit and loss summary and/or (b) the debit balance in account 466—Partners' realized gain and loss summary in cash.

- (b) With the amount of distributions made to individual general partners whether cash, stock and/or in kind.

- (c) With the amount transferred to the individual general partners' capital contribution account 471 for SBA leverage purposes.

Credit:

- (a) At the end of the fiscal year, with the individual general partners' share of any credit balance in (a) account 465—Partners' profit and loss summary and/or (b) the credit balance in account 466—Partners' realized gain and loss summary in cash.

495—Limited Partners' Non-cash Gains On Sale of Securities

This is a credit balance account and represents the limited partners' share of gains realized on the sale of securities that have not been converted to cash. While considered to be undistributed earnings, the amount in this account will not be available for distribution or capitalized by partnership action transferring amounts to partners' capital contribution for SBA leverage. Therefore, such amounts are considered restricted undistributed earnings realized.

Debit:

- (a) With the amount of cash collected from non-cash gains previously recognized.
 (b) With the amount of non-cash gains written off or disposed of otherwise.

Credit:

- (a) With the amounts of non-cash gains when the securities generating such gain are sold.

Note.—It is recommended that individual records be maintained for each non-cash gain realized.

(See account Nos. 467, 220, 579, and 709.)

496—Limited Partners' Undistributed Net Realized Earnings

This is a credit balance account and represents the limited partners' share of the licensee's cumulative balance of periodic net investment income including realized gain (loss) on securities sold less partnership distributions whether cash, stock or in kind and less non-cash gain on sales of securities which are included in account 495.

Debit:

- (a) At the end of the fiscal year, with the limited partners' share of any debit balance in (a) account 465—Partners' profit and loss summary and/or (b) the debit balance in account 466—Partners' realized gain and loss summary in cash.

- (b) With the amount of distributions made to limited partners whether cash, stock and/or in kind.

- (c) With the amount transferred to limited Partners' capital contribution account 476 for SBA leverage purposes.

Credit:

- (a) At the end of the fiscal year, with the limited partners' share of any credit balance

in (a) account 465—Partners' profit and loss summary and/or (b) account 466—Partners' realized gain and loss summary in cash.

Income Accounts

500—Commitment income

This account will represent the amount of income earned on commitments to small business concerns for loans and equity securities. This account, on the books of the "participating" company, will include the amount of commitment income on deferred participations.

Debit:

- (a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

- (a) With amount of income earned on commitments and deferred participations.

Note 1.—A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies.

Note 2.—Recording as income in this account of accrued commitment fees receivable should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the small business concern or the fair value of its debt or equity instrument held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the accrued commitment fees taken into income in this account, or as an alternative, the commitment income should be deferred in account No. 383 as above indicated.

(See account Nos. 141 and 142.)

510—Interest on invested idle funds

This account will represent the amount of interest earned on (1) time certificates of deposit in banks which are members of the Federal Deposit Insurance Corporation, (2) U.S. Government obligations, direct and fully guaranteed, owned by the company, and (3) funds of the company in insured savings accounts in institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

Debit:

- (a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

- (a) With amount of interest earned on invested idle funds.

(See account Nos. 130 through 137, 143 and 144.)

512—Interest on loans

This account will represent the amount of interest earned on loans to small business concerns.

Debit:

(a) At the end of fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of interest earned on loans outstanding to small business concerns.

Note:—Accrual of interest receivable should be discontinued with respect to any loan to a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payment received from such a debtor should not be credited to this account as interest income, but should be either credited as payments on principal of the debt or credit as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the licensee, or the fair value of the loan as determined in good faith by the Board of Directors is less than cost of recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrued interest receivable taken into income in this account, or, as an alternative, the interest income should be deferred in account No. 383 as above indicated.

(See accounts Nos. 143, 144, 170 and 173.)

516—Interest on debt securities

This account will represent the amount of interest earned on debt securities of small business concerns owned by the company pursuant to section 304 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) At the end of the fiscal year with the balance of account (transfer to profit and loss summary)

Credit:

(a) With amount of interest earned on debt securities owned.

Note:—Accrual of interest received should be discontinued with respect to any debt security of a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be credited to this account as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the licensee, or the fair value of the debt security as determined in good faith by the Board of Directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount

equivalent to the accrued interest receivable taken into income in this account, or, as an alternative, the interest income should be deferred in account No. 383 as above indicated.

(See accounts Nos. 143, 144, 180, 184 and 188.)

520—Interest income—other

This account will represent the amount of interest earned on miscellaneous notes receivable, funds in escrow, and interest-bearing receivables not otherwise classified.

Debit:

(a) At the end of the fiscal year with the balance of account (transfer to profit and loss summary)

Credit:

(a) With amount of interest earned on such receivables.

(See account Nos. 140, 143, and 267.)

532—Management service fees

This account will represent the amount of fees charged for management services rendered to small business concerns and other small business investment companies pursuant to section 107.601 of the Small Business Administration Rules and Regulations.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such fees charged.

Note:—Recording as income in this account of accrued management service fees receivable should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the fair value of the financed concern's debt or equity instruments held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the accrued management consulting service fees taken into income in this account, or, as an alternative, the management consulting service income should be deferred in account No. 383 as above indicated.

(See account Nos. 140, 141, and 142.)

534—Investigation and service fees charged other lenders

This account will represent the amount of fees charged for investigation and services rendered to banks or other lenders or investors, pursuant to section 308(a) of the Small Business Investment Act of 1958, as amended. The account will include compensation for financial services rendered in connection with participations sold.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such fees charged. (See accounts Nos. 140, 141 and 142.)

536—Application and appraisal fees

This account will represent the amount of fees charged for application, appraisal, investigation, and related services rendered to small business concerns.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such fees charged. (See account Nos. 173 and 188 and "Note" of account Nos. 140, 141 and 532.)

540—Dividends on capital stock of SBCs

This account will represent the amount of income from dividends on capital stock of small business concerns.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of income from such dividends.

(See account No. 145.)

541—Sharings in income or revenue of SBCs

This account will represent the amount of sharing or participations in the income or revenue of small business concerns which the company has financed by means of loans or debt securities.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such sharings. (See account Nos. 140, 141 and 145.)

542—Non-cash income from investments reported on equity method of accounting

This account is a summary account of all income and losses from investments required to be reported on the Equity Method of Accounting. The sources of entries will be primarily from any of the following sources.

1. Corporate licensees' management service subsidiary.

2. Limited partnerships' investment in a management services company.

3. Investments in unincorporated small business concerns.

It is important that separate records be kept of each source of investments reported on the Equity Method of Accounting since losses and gains are not reported in the same manner.

Debit:

(a) At the end of the fiscal year with the amounts of all gains, which will be credited to account 463—Stockholder non-cash income from investments reported on the Equity Method of Accounting or to account 468—Partners' non-cash income from investments reported on the Equity Method of Accounting.

(b) With the amount of losses resulting from investments to be reported on the Equity Method of Accounting.

Credit:

(a) With the amount of income from investments to be reported on the Equity Method of Accounting.

(b) With the amount of losses from investments to be reported on the Equity Method of Accounting. If the licensee is a corporation the offsetting debit will be to account 460. If the licensee is a limited partnership the offsetting debit will be to account No. 465.

570—Gain on U.S. Government securities

This account will represent the amount of gain on the sale or other disposition of U.S. Government obligations, direct and fully guaranteed, carried in account No. 130.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such securities sold or disposed of otherwise.

Note.—Increase in value over cost of United States Treasury bills, which are issued at a discount and are noninterest bearing, will not be reflected in this account but will be credited to account No. 510—Interest on invested idle funds, with concurrent debit to account No. 143—Accrued interest receivable.

571—Gain on loans.

This account will represent the amount of gain on the sale or other disposition of loans of small business concerns carried in account No. 170, and will include recoveries on loan losses previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such loans sold or disposed of otherwise.

(b) With amount collected on portions of loans previously charged to the loss account.

(See accounts Nos. 383 and 701.)

572—Gain on debt securities

This account will represent the amount of gain on the sale or other disposition of debt securities of small business concerns carried in accounts Nos. 180 and 184, and will include recoveries on debt security losses previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such debt securities sold or disposed of otherwise.

(b) With amount collected on portions of debt securities previously charged to the loss account.

(See account Nos. 383 and 702.)

574—Gain on capital stock of SBCs

This account will represent the amount of gain on the sale or other disposition of capital stock of small business concerns carried in accounts Nos. 190 and 191, and will include recoveries on capital stock losses previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such capital stock sold or disposed of otherwise.

(b) With amount realized on capital stock of SBCs previously charged to the loss account.

(See account Nos. 383 and 704.)

575—Gain on equity interest of unincorporated concerns

This account will represent the amount of gain on the sale or other disposition of equity interests of unincorporated concerns carried in account 194 and will include recoveries of losses on equity interests of unincorporated concerns previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such equity interests sold or disposed of otherwise.

(b) With amount realized on equity interests previously charged to the loss account.

576—Gain on warrants, options, and other stock rights acquired from SBCs

This account will represent the amount of gain on the sale or other disposition of warrants, options, and other stock rights acquired from SBCs, and will include recoveries on stock rights losses previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such warrants, options, and other stock rights acquired from SBCs sold or disposed of otherwise.

(b) With amount realized on warrants, options, and other stock rights previously charged to the loss account.

(See account Nos. 197, 383 and 706, and memorandum record No. NA-10.)

577—Gain on assets acquired in liquidation of portfolio securities

This account will represent the amount of gain on the sale or other disposition of assets acquired in liquidation of portfolio securities of small business concerns carried in accounts Nos. 200, and 204, and will include recoveries on losses on assets acquired in liquidation previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such assets acquired in liquidation of portfolio securities sold or disposed of otherwise.

(b) With amount realized on assets in liquidation of portfolio securities previously charged to the loss account.

(See account Nos. 383 and 707.)

578—Gain on Operating Concerns Acquired

This account will represent the amount of gain on the sale or other disposition of investments in operating concerns acquired and will include recoveries on losses previously charged to the related loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such assets sold or disposed of otherwise.

(b) With amount realized on other assets previously charged to the loss account.

(See account Nos. 210, 221, 383, and 708.)

579—Gain on other assets

This account will represent the amount of gain on the sale or other disposition of assets not specifically provided for in other accounts, and will include recoveries on losses on other assets previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such assets sold or disposed of otherwise.

(b) With amount realized on other assets previously charged to the loss account.

(See accounts Nos. 220, 221, 383, and 709.)

582—Income from assets acquired in liquidation of portfolio securities

This account will represent the amount of income earned on assets acquired in liquidation of portfolio securities, including the operation of properties, carried in accounts Nos. 200, 204.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such income earned.

Note.—In instances when a liquidating agent is employed to supervise the disposition of the assets, appropriate subsidiary accounts should be maintained by the agent. Cash collected from the sale of assets by the liquidating agent should be remitted immediately to the company. The company should maintain a local depository bank account, in which all receipts of the agent are deposited when direct remittances to the company are not feasible. Deposit balances in this account should be subject to withdrawal by check only by the company and should be reflected on the company's records in the same manner as other bank accounts.

Any advances to a liquidating agent for expenses incident to the operation or the disposition of assets acquired in the liquidation of portfolio securities should be charged to account No. 230—Prepaid expenses.

584—Other income

This account will represent the income earned not specifically provided for in other accounts.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary)

Credit:

(a) With amount of such income earned.

Expense Accounts**600—Commitment expense**

This account will represent the amount of commitment expense on commitments from lending institutions.

On the books of the "initiating" company, this account also will include the amount of commitment expense on deferred participations.

Debit:

(a) With amount of expense incurred on commitments and deferred participations.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Note.—A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies.

(See account No. 340.)

610—Interest on obligations payable to SBA

This account will represent the amount of interest expense accrued on obligations payable to the Small Business Administration for funds borrowed.

Debit:

(a) With amount of such interest accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

(See account Nos. 300, 301 and 350.)

622—Interest on obligations payable to other than SBA

This account will represent the amount of interest expense accrued on obligations payable to other than the Small Business Administration for funds borrowed.

Debit:

(a) With amount of such interest accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

(See accounts Nos. 310, 311, 312, 313, 320 and 350.)

642—Stock record and other financial expenses

This account will represent the amount of charges to the company by transfer agent and the registrar for services rendered in connection with the issuance and transfer of company's capital stock, and will include

other financial expenses not provided for elsewhere.

Debit:

(a) With amount of such interest incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

(See account No. 340.)

650—Operating expenses

The accounts under this caption will represent the amounts of operating expenses incurred.

Debit appropriate account:

(a) With amount of operating expenses incurred.

Credit appropriate account:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

650—Advertising and promotional costs

This account will represent the cost of advertising and promoting the company's services, including the cost of entertaining prospective borrowers and clients.

651—Appraisal and investigation costs

This account will represent the amount of charges made by outside firms and individuals for appraisal, investigation, and related services rendered to the company.

652—Auditing and examination costs

This account will represent the amount of charges for auditing, examination, and bookkeeping services rendered by accountants not on the company's payroll, and charges for services rendered by SBA examiners.

653—Communications

This account will represent telephone, telegraph, and postage expense.

654—Cost of space occupied

This account will represent the cost of space occupied such as rent, alterations, light, heat, power, janitor service, maintenance and repair expense on buildings, furniture, and equipment (other than automobiles), etc.

655—Depreciation of corporate premises owned, furniture, equipment and automobiles

This account will represent the amount of provision applicable to the fiscal year for depreciation of the buildings and other depreciable improvements of corporate premises owned and used as the company's office quarters. The account also will include the amount of provision applicable to the fiscal year for depreciation of furniture, equipment and automobiles owned by the company.

656—Amortization of leasehold improvements

This account will represent the amortization of leasehold improvements.

657—Directors, stockholders' or partners' meetings costs

This account will represent directors' fees and travel expense for attendance at directors' and stockholders' or partners'

meetings. The account also will include the cost of holding stockholders' or partners' meetings, such as rental of the meeting hall and related expenses.

658—Insurance

This account will represent fire, theft, employee group life insurance, and other insurance expense, including fidelity bond, premiums and insurance on automobiles. The portion, if any, of employee group life insurance premiums withheld from salaries or received from employees will be reflected in account No. 378. Insurance premiums to be amortized will be charged to account No. 230.

659—Management services fees

This account will represent the amount of charges made by outside firms or individuals for management services provided to licensee pursuant to management agreement approved by SBA.

660—Investment advisor costs

This account will represent the amount of charges made by outside firms and individuals for furnishing consultation and advice to the company with respect to the desirability of investing in, purchasing, or selling loans, debt securities, and capital stock of small business concerns and other property.

661—Legal services

This account will represent the cost of legal services rendered to the company.

663—Salaries

This account will include the balance in subaccounts Nos. 663.1 and 663.2.

663.1—Salaries of officers or partners

This account will represent the salary cost of all officers/partners of the company, including directors' salaries, if any, but not directors' fees for attendance at meetings.

663.2—Salaries of employees

This account will represent the salary cost of all employees other than officers/partners, including salaries of any temporary or part-time employees engaged for specific assignments.

664—Taxes, excluding income taxes

This account will represent the cost of all taxes, including those on corporate premises owned, motor vehicle, and personal property, social security taxes (company's portion), and other taxes charged to the company, exclusive of income taxes.

665—Travel

This account will represent all travel expense, including transportation charges, automobile maintenance, operating expense, meals, lodging, telephone, telegraph, and other company costs incurred by officers and employees while in a travel status.

670—Employee benefits expense

This account will represent the cost assumed by the company in contributing to funds providing for employee retirement benefits and other types of employee benefits, except group life insurance. The portion, if any, of the cost of employee

benefits withheld from salaries or received from employees will be reflected in account No. 378.

672—Amortization of organization expense

This account will represent the amount of legal fees, promotional expense, stock certificate costs, incorporation fees, taxes, and other related costs incurred in organizing the company, which are charged to expense (this account) as incurred or are transferred to this account periodically through the amortization of organization costs established as an asset in account No. 266.

679—Miscellaneous operating expenses

This account will represent the amount of operating expenses not specifically provided for in other accounts. There will be included expenses incurred in connection with dues, subscriptions, donations, and similar items; charges made to the company for custodial or safekeeping services in connection with its portfolio securities; and bank service charges, exchange on checks, protest fees, etc., and the cost of office supplies such as stationery, accounting forms, binders, pencils, etc.

680—Estimated losses on receivables

This account will represent the amount of estimated losses applicable to the fiscal year on notes and accounts receivable, and interest receivable.

Debit:

(a) With amount of such estimated losses incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

700—Loss on U.S. Government securities

This account will represent the amount of loss on the sale or other disposition of United States Government obligations, direct and fully guaranteed, carried in account No. 130-135.

Debit:

(a) With amount of loss on such securities sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 460 or 462).

(See account No. 570.)

701—Loss on loans

This account will represent the amount of loss on the sale or other disposition of loans of small business concerns carried in account No. 170.

Debit:

(a) With amount of loss on such loans written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary—account No. 461).

(See account No. 571.)

702—Loss on debt securities

This account will represent the amount of loss on the sale or other disposition of debt securities of small business concerns carried in accounts Nos. 180 and 184.

Debit:

(a) With amount of loss on such debt securities written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary—account No. 461).

(See account No. 572.)

704—Loss on capital stock of SBCs

This account will represent the amount of loss on the sale or other disposition of capital stock of small business concerns carried in accounts Nos. 190 and 191.

Debit:

(a) With amount of loss on such capital stock written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 461).

(See account No. 574.)

705—Loss on equity interest of unincorporated concern

This account will represent the amount of loss resulting from sale or other disposition of equity interests of unincorporated concerns carried in account No. 194.

Debit:

(a) With amount of loss on such equity interest sold, written off, or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 461).

(See account No. 575.)

706—Loss on warrants, options, and other stock rights acquired from SBCs

This account will represent the amount of loss on the sale or other disposition of warrants, options, and other stock rights acquired from SBCs.

Debit:

(a) With amount of loss on such warrants, and other stock rights written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 461).

(See account Nos. 197, 576, and memorandum record No. NA-10.)

707—Loss on assets acquired in liquidation of portfolio securities

This account will represent the amount of loss on the sale or other disposition of assets acquired in liquidation of portfolio securities of small business concerns carried in account No. 200, 204.

Debit:

(a) With amount of loss on such assets written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 461).

(See account No. 577.)

708—Loss on Operating Concerns Acquired

This account will represent the amount of loss on the sale or other disposition of investments in operating concerns acquired.

Debit:

(a) With amount of loss on such assets or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 461).

(See account No. 578.)

709—Loss on other assets

This account will represent the amount of loss on the sale or other disposition of assets not specifically provided for in other accounts.

Debit:

(a) With amount of loss on such assets or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account No. 461).

(See account No. 579.)

710—Expense on assets acquired in liquidation of portfolio securities

This account will represent the amount of expense incurred on assets acquired in liquidation of portfolio securities, including the operation and depreciation of properties, carried in account No. 204. The account also will include the amount of interest expense accrued on mortgages payable on assets acquired in liquidation of portfolio securities.

Debit:

(a) With amount of such expense incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460).

Note.—In instances when a liquidating agent is employed to supervise the disposition of the assets, appropriate subsidiary accounts should be maintained by the agent.

Cash collected from the sale of assets by the liquidating agent should be remitted immediately to the company. The company should maintain a local depository bank account, in which all receipts of the agent are deposited when direct remittances to the company are not feasible. Deposit balances in this account should be subject to withdrawal by check only by the company and should be reflected on the company's records in the same manner as other bank accounts.

Any advances to a liquidating agent for expenses incident to the operation of or in the disposition of assets acquired in the liquidation of loans and debt securities should be charged to account No. 230—Prepaid expenses.

715—Other expenses

This account will represent the amount of nonoperating expenses not specifically provided for in other accounts, including, on the books on the "participating" company, the amount of compensation expense for financial services received from "initiating"

companies in connection with participations purchased.

Debit:

(a) With amount of such expenses incurred.

Credit:

(b) At the end of fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460).

(See account No. 340.)

720—Income taxes—net income

This account will include the balances in subaccounts Nos. 720.1, 720.2, 720.3, etc.

720.1—Federal income taxes—net income.

This account will represent the amount of Federal income taxes applicable to net income for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460).

720.2—State income taxes—net income.

This account will represent the amount of State income taxes applicable to net income for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460).

(See subaccount Nos. 354.1 and 354.2.)

722—Income taxes—net realized gain on investments

This account will include the balance in subaccounts Nos. 722.1, 722.2, 722.3, etc.

722.1—Federal income taxes—net realized gain on investments.

This account will represent the amount of Federal income taxes applicable to net realized gain on investments for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary account 461 or 462).

(See subaccount No. 354.1.)

722.2—State income taxes—net realized gain on investments.

This account will represent the amount of State income taxes applicable to net realized gain on investments for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary account 461 or 462).

(See subaccount No. 354.2.)

Memorandum Records

Nominal Assets

NA-10—Stock purchase warrants or options on stock of SBCs. This record will

show the company's ownership of detachable stock purchase warrants or options on stock of SBCs, retained after the accompanying financing instruments have been disposed of, for which no consideration was given distinct from that surrendered for such financing instruments and for which no separate cost has otherwise been determined.

Each such detachable stock purchase warrant or option certificate should be entered in this record, upon detachment, at a nominal value of one dollar (\$1.00). Upon sale of such a detached stock purchase warrant or option, upon exercise or expiration of rights conveyed by such a detached stock purchase warrant or option or upon the determination of a cost to be recorded for such a detached stock purchase warrant or option, the entry establishing such certificate in the memorandum records is to be discharged through an equivalent credit.

Debit:

(a) With nominal value of such detachable stock purchase warrants or options upon their detachment from capital stock certificates or debt securities.

Credit:

(a) With nominal value of such detachable stock purchase warrants or options upon exercise or expiration of rights conveyed by such warrant or option certificates.

(b) With nominal value of such detachable stock purchase warrants or options sold or disposed of otherwise.

(c) With nominal value of such detachable stock purchase warrants or options for which a separate cost has been established.

(See accounts Nos. 180, 190, and 197.)

Contingent Liabilities

CL-15—Commitments outstanding. This record will show the amount of financing commitments made and outstanding to small business concerns, including commitments for loans and for the acquisition of small business concerns' capital stock and debt securities. This record also will show the amount of deferred participations. A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies. When funds are advanced against commitments, appropriate entry will be made in this record.

CL-18—Guarantees outstanding. This record will show the amount for which the company is contingently liable under guarantees issued to lending institutions in connection with obligations of portfolio concerns under notes, debentures, or other evidences of indebtedness, or short-term advances to such concerns.

CL-17—Other contingent liabilities. This record will show the amount of miscellaneous contingent obligations not otherwise classified.

Options on Company's Stock

OCS-1—Options on company's stock. This record will show details of outstanding options on the company's capital stock granted in lieu of salary or in payment for services actually rendered to the company. The following data will be included:

1. Identification of person or entity holding options.
2. Number of shares optioned.
3. Type and class of stock called for by options.
4. Dates of grant and of expiration of options.
5. Price or prices at which options exercisable, with dates they apply.
6. Fair market value, per share, of stock called for at date each option was granted.
7. Price of each option as percent of fair market value of optioned stock at date option was granted.
8. Provisions for termination of options in case of death of retirement of optionees, or other circumstances.
9. Details of authorization, shares reserved for, issuance, exercise, lapse, and forfeiture of options provided for under the company's stock option plan.

Actual Loss Experience

AL-1—Actual (realized) losses. This record will show for each fiscal year, and also accumulatively, the amount of actual (realized) losses incurred through disposition, writedown, or write-off of loans and investments. Losses shall be stated in total for all loans and investments and also separately for loans; debt securities; capital stock of small business concerns; warrants; options, and other stock rights of small business concerns; assets acquired in liquidation of loans and debt securities; and amounts due from debtors on sale of assets acquired in liquidation of loans and debt securities. Losses realized shall be determined in relation to cost of the assets involved without regard to the existence or nonexistence of related allowances for losses.

WI—Worthless Investments Written Off.

PDA—Preferred Dividend Arrearages on Preferred Stock Sold SBA.

A memorandum account will be established showing:

- (a) the amount of each arrearage
- (b) the total amount of arrearage
- (c) the number of arrearages
- (d) the date the arrearages began.

The auditor will disclose the above information by an appropriate footnote.

[FR Doc. 86-15191 Filed 8-27-86; 8:45 am]

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Federal Register

Thursday
August 28, 1986

Part III

Environmental Protection Agency

Premanufacture Notices; Monthly Status
Report for April 1986; Notice

ENVIRONMENTAL PROTECTION AGENCY

[OPTS-53085; FRL-3061-9]

Premanufacture Notices; Monthly Status Report for April 1986

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: Section 5(d)(3) of the Toxic Substances Control Act (TSCA) requires EPA to issue a list in the **Federal Register** each month reporting the premanufacture notices (PMNs) pending before the Agency and the PMNs for which the review period has expired since publication of the last monthly summary. This is the report for April 1986.

Nonconfidential portions of the PMNs may be seen in Rm. NE-G004 at the address below between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding legal holidays.

ADDRESS: Written comments, identified with the document control number "[OPTS-53085]" and the specific PMN number should be sent to: Document Control Officer (TS-790), Confidential Data Branch, Information Management Division, Office of Toxic Substance, Environmental Protection Agency, Rm. E-201, 401 M Street SW., Washington, DC 20460, (202) 382-3532.

FOR FURTHER INFORMATION CONTACT: Wendy Cleland-Hamnett, Premanufacture Notice Management Branch, Chemical Control Division (TS-794), Office of Toxic Substances, Environmental Protection Agency, Rm.

E-613 401 M Street, SW., Washington, DC 20460, (202) 382-3725.

SUPPLEMENTARY INFORMATION: The monthly status report published in the **Federal Register** as required under section 5(d)(3) of TSCA (90 Stat. 2012 (15 U.S.C. 2504)), will identify: (a) PMNs received during April; (b) PMNs received previously and still under review at the end of April; (c) PMNs for which the notice review period has ended during April; (d) chemical substances for which EPA has received a notice of commencement to manufacture during April and (e) PMNs for which the review period has been suspended. Therefore, the April 1986 PMN Status Report is being published.

Dated: July 24, 1986.

Denise Devoe,

Acting Director, Information Management Division.

Premanufacture Notices Monthly Status Report, April 1986

I. 149 PREMANUFACTURE NOTICES RECEIVED DURING THE MONTH

PMN No.	Identity/generic name	FR citation	Expiration date
P 86-821	Generic name: Modified hydrocarbon resin.....	51 FR 12557 (12558) (4/11/86).....	June 29, 1986.
P 86-822	Generic name: (E)(Z)-2,6-heptadienal, 2,4-dimethyl.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-823	Generic name: Functional acrylate type polymer.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-824	Generic name: Polymer of acrylic acid esters with an aliphatic acid monomer and an aromatic vinyl monomer, and an aliphatic nitrile monomer.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-825	Generic name: Ester copolymer.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-826	Generic name: Styrene-acrylic latex.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-827	Generic name: Modified monocyclic urethane isocyanate.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-828	Generic name: Aliphatic alicyclic polyester polyurethane.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-829	Generic name: Diazonium resin.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-830	Generic name: Diazonium resin.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-831	Generic name: Alkyl substituted pyridine.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-832	Generic name: Reaction product of hydroxyethyl acrylate and methyl oxirane.....	51 FR 12557 (12558) (4/11/86).....	June 30, 1986.
P 86-833	Generic name: Polyurethane resin.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-834	(d), 1-Camphorquinone.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-835	Generic name: Acrylic (copolymer).....	51 FR 12557 (12558) (4/11/86).....	July 1, 1986.
P 86-836	Generic name: Poly(substituted carbomonocyclic alkylene) phosphate.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-837	Generic name: Styrene-acrylonitrile graft terpolymer.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-838	Generic name: Substituted pyridine.....	51 FR 12557 (12558) (4/11/86).....	Do.
P 86-839	Generic name: Alkyd resin.....	51 FR 15681 (15682) (4/25/86).....	July 2, 1986.
P 86-840	Generic name: Water dispersible modified alkyd resin.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-841	Generic name: Polyamide resin.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-842	Generic name: Styrene-2-ethyl hexylacrylate copolymer.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-843	Generic name: Substituted phenylamino substituted carbopolycycle sulfonic acid, salt.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-844	Generic name: Substituted phenylamino substituted carbopolycycle sulfonic acid, salt.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-845	Generic name: Substituted propionamide.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-846	Generic name: Substituted propionamide.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-847	Benzenesulfonic acid, 5-methoxy-2-[(2-hydroxy-1-naphthalenyl)azo], barium salt (2:1).....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-848	Generic name: Poly [(disubstituted aminolaryl) alkane.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-849	Generic name: Vegetable oil, modified ethoxylated and capped.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-850	Eicosene.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-851	Generic name: Ethyl acetoxyalkenoate.....	51 FR 15681 (15682) (4/25/86).....	July 5, 1986.
P 86-852	Generic name: Acid terminated, water dispersible, isophthalic/terphthalic acid, polyester resin.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-853	Generic name: Polyalkyleneoxyalkyl, alkyl silicone.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-854	Generic name: Alkylene polyether alkylate.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-855	Generic name: Metal alkoxy halide.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-856	Generic name: Functionalized acrylic polymer.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-857	Amine functional polyamide.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-858	Generic name: Polymer of triethylene tetramine, tetraethylene pentamine, monobasic fatty acid dibasic fatty acid, substituted phenol and substituted oxirane.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-859	Generic name: Aliphatic hydrocarbon resin.....	51 FR 15681 (15682) (4/25/86).....	July 6, 1986.
P 86-860	Generic name: Hydrocarbon resin.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-861	Generic name: Acid terminated polyester propolymer.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-862	Generic name: Hydrocarbon resin.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-863	Generic name: Styrenated rosin ester.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-864	Generic name: Nonionically blocked P-toluenesulfonic acid.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-865	Generic name: Modified epoxy acrylate.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-866	Generic name: Salt of a substituted-(phenylpyrazole).....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-867	Generic name: Siloxanes and silicones, di-me, me hydrogen, reaction products ally glycidyl ether and polyethylene polypropylene glycol allyl methyl ether.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-868	Generic name: Dicyclohexyl alkane.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-869	Generic name: Dicyclohexyl alkane.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-870	Generic name: Alkyl-substituted decaline.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-871	Generic name: Dicyclohexyl alkane.....	51 FR 15681 (15682) (4/25/86).....	Do.
P 86-872	Generic name: Perfluoroalkyl epoxide.....	51 FR 15681 (15682) (4/25/86).....	July 7, 1986.
P 86-873	Generic name: Perfluoroalkyl epoxide.....	51 FR 15681 (15682) (4/25/86).....	Do.

I. 149 PREMANUFACTURE NOTICES RECEIVED DURING THE MONTH—Continued

PMN No.	Identity/generic name	FR citation	Expiration date
P 86-874	Generic name: Organosulfur modified EPDM	51 FR 15681 (15684) (4/25/86)	Do.
P 86-875	Generic name: High solids oxirane/anhydride polyester resin	51 FR 15681 (15684) (4/25/86)	Do.
P 86-876	Generic name: Polyester resin	51 FR 15681 (15684) (4/25/86)	Do.
P 86-877	Titanium complex of ethanediol, isopropanol, monobutyl phosphate, and dibutyl phosphate	51 FR 15681 (15684) (4/25/86)	Do.
P 86-878	Generic name: Polymethylene polyphenyl isocyanate polyol	51 FR 15681 (15684) (4/25/86)	Do.
P 86-879	Generic name: Sulfonate surfactant intermediate	51 FR 15681 (15684) (4/25/86)	Do.
P 86-880	Generic name: Sulfonate surfactant intermediate	51 FR 15681 (15684) (4/25/86)	Do.
P 86-881	Generic name: Sulfonate surfactant intermediate	51 FR 15681 (15684) (4/25/86)	Do.
P 86-882	Generic name: Sulfonate surfactant intermediate	51 FR 15681 (15684) (4/25/86)	Do.
P 86-883	Generic name: Sulfonate surfactant	51 FR 15681 (15684) (4/25/86)	Do.
P 86-884	Generic name: Sulfonate surfactant	51 FR 15681 (15684) (4/25/86)	Do.
P 86-885	Generic name: Functionalized styrenated acrylic polymer	51 FR 15681 (15684) (4/25/86)	Do.
P 86-886	Generic name: Polymer of acrylic and acrylate	51 FR 15681 (15684) (4/25/86)	July 8, 1986.
P 86-887	Generic name: Fluorinated telomer	51 FR 15681 (15684) (4/25/86)	Do.
P 86-888	Generic name: Ester copolymer	51 FR 15681 (15684) (4/25/86)	Do.
P 86-889	Reaction product of trimethylsiloxy silica copolymer and 1,1,2,2-tetrahydroperfluoro-1-decanol	51 FR 15681 (15684) (4/25/86)	Do.
P 86-890	Generic name: Polymer of acrylic acid esters, an aromatic vinyl monomer, and a nitrile monomer	51 FR 15681 (15684) (5/2/86)	July 9, 1986.
P 86-891	6-(2-Hydroxy ethoxy)-7-methoxy-2,3-dimethyl-quinoline	51 FR 16383 (16384) (5/2/86)	Do.
P 86-892	Generic name: Aminophenyl-(substituted) carbomono-cyclic sulfonamide	51 FR 16383 (16384) (5/2/86)	July 12, 1986.
P 86-893	Generic name: Modified triazine-formaldehyde polymer	51 FR 12557 (12558) (5/2/86)	Do.
P 86-894	Generic name: Alkanolate metal complex	51 FR 16383 (16384) (5/2/86)	July 13, 1986.
P 86-895	Generic name: Reaction product of polysubstituted alkanes	51 FR 16383 (16384) (5/2/86)	Do.
P 86-896	Generic name: Siloxanes and silicones, dimethyl, methyl(mercaptoalkyl) trimethyl end blocked	51 FR 16383 (16384) (5/2/86)	Do.
P 86-897	Generic name: Phosphoric acid, mono and di-(2-ethylhexyl) esters, compounds with N,N-dimethyl alkylamine	51 FR 16383 (16384) (5/2/86)	Do.
P 86-898	Generic name: N-tallow alkyl-2,2-iminobis-propanol, inorganic salt	51 FR 16383 (16384) (5/2/86)	Do.
P 86-899	Generic name: Calcium sulfonate	51 FR 16383 (16384) (5/2/86)	Do.
P 86-900	Generic name: Substituted phenol	51 FR 16383 (16384) (5/2/86)	Do.
P 86-901	Cuprate (4-), [5-(acetyl amino)-4-hydroxy-3-[[[5-hydroxy-6-[[[2-hydroxy-4-[[[2-(sulfoxy)ethyl]sulfonyl]phenyl]azo]-7-sulfo-2-naphthalenyl]azo]-2,7-naphthalene disulfonate (6-)]-tetra- sodium salt	51 FR 16383 (16385) (5/2/86)	Do.
P 86-902	Cuprate (4-)[2[[[2,4-dihydroxy-3-[[[2-hydroxy-5-[[[2-(sulfoxy)ethyl]sulfonyl]phenyl]azo]phenyl]azo]-4,8-naphthalene disulfonate(6-)]-trisodium salt	51 FR 16383 (16385) (5/2/86)	Do.
P 86-903	Generic name: Succinate ester amide	51 FR 16383 (16385) (5/2/86)	Do.
P 86-904	Generic name: Polymer of alkyl methacrylate and substituted methacrylamide	51 FR 16383 (16385) (5/2/86)	Do.
P 86-905	Generic name: Functionalized ethene copolymer	51 FR 16383 (16385) (5/2/86)	Do.
P 86-906	Generic name: Mercaptoalkyl, alkylpolysiloxane	51 FR 16383 (16385) (5/2/86)	Do.
P 86-907	Generic name: Siloxanes and silicones, methyl, mercaptoalkyl hydrolysis products with tetraethoxysilane	51 FR 16383 (16385) (5/2/86)	Do.
P 86-908	Generic name: Ester copolymer	51 FR 16383 (16385) (5/2/86)	Do.
P 86-909	Generic name: Alkylated aromatic compound	51 FR 16383 (16385) (5/2/86)	Do.
P 86-910	Generic name: Substituted alkyl arylamine	51 FR 16383 (16385) (5/2/86)	Do.
P 86-911	Generic name: Amine adduct of epoxy resin	51 FR 16383 (16385) (5/2/86)	Do.
P 86-912	Generic name: Amine adduct of epoxy resin	51 FR 16383 (16385) (5/2/86)	Do.
P 86-913	Generic name: High solids oxirane/anhydride polyester resin	51 FR 16383 (16385) (5/2/86)	July 14, 1986.
P 86-914	Generic name: High solids oxirane/anhydride polyester resin	51 FR 16383 (16385) (5/2/86)	Do.
P 86-915	Generic name: Phenolic polyester	51 FR 16383 (16385) (5/2/86)	Do.
P 86-916	Generic name: Alkyl fatty acids	51 FR 16383 (16385) (5/2/86)	Do.
P 86-917	Generic name: Alkyl diquaternary	51 FR 16383 (16385) (5/2/86)	July 15, 1986.
P 86-918	Generic name: Linseed oil based terephthalic alkyl	51 FR 16383 (16385) (5/2/86)	Do.
P 86-919	Generic name: Substituted phenyl, substituted triazoyl (substituted) alkanamide	51 FR 16383 (16385) (5/2/86)	Do.
P 86-920	Generic name: Substituted-3-sulfoalkylbenzothiazole, salt	51 FR 16383 (16385) (5/2/86)	Do.
P 86-921	Generic name: (Substituted aromatic heterocyclic) substituted-3-sulfoalkyl	51 FR 16383 (16385) (5/2/86)	Do.
P 86-922	Generic name: Rubber modified epoxy	51 FR 16587 (5/5/86)	July 16, 1986.
P 86-923	Generic name: Zirconium (4+) alkanolamine complex	51 FR 16587 (5/5/86)	Do.
P 86-924	Generic name: Acrylate ester	51 FR 16587 (5/5/86)	Do.
P 86-925	Generic name: Modified polyvinyl alcohol	51 FR 16587 (5/5/86)	Do.
P 86-926	1H-isindole-5-carboxylic acid, 2,2-(methylene di-4,1-phenylene) bis [2,3-dihydro-1,3-dioxo-]	51 FR 16587 (5/5/86)	Do.
P 86-927	Generic name: Organo nickel complex	51 FR 16587 (5/5/86)	Do.
P 86-928	Generic name: Alkyl aryl phosphine	51 FR 16587 (5/5/86)	Do.
P 86-929	Generic name: Amps copolymer	51 FR 16587 (5/5/86)	Do.
P 86-930	Generic name: Monoamide of a disubstituted carboxyalkene	51 FR 16587 (5/5/86)	July 19, 1986.
P 86-931	Generic name: Diamide of a disubstituted carboxyalkene	51 FR 16587 (5/5/86)	July 20, 1986.
P 86-932	Generic name: Monoamide of a disubstituted carboxyalkene	51 FR 16587 (5/5/86)	Do.
P 86-933	Generic name: Diamide of a disubstituted carboxyalkene	51 FR 16587 (5/5/86)	Do.
P 86-934	Generic name: Ethylene vinyl fatty ester copolymer	51 FR 16587 (5/5/86)	Do.
P 86-935	Generic name: Polymer of methyl methacrylate, butyl acrylate, hydroxy ethyl acrylate	51 FR 16587 (5/5/86)	Do.
P 86-936	Generic name: Polyester urethane methacrylate blocked	51 FR 16587 (5/5/86)	Do.
P 86-937	Generic name: Alkyl formamide	51 FR 16587 (5/5/86)	Do.
P 86-938	Generic name: Polyisobutylene succinimide	51 FR 16587 (5/5/86)	Do.
P 86-939	Generic name: Polyester/polyamide copolymer	51 FR 16587 (5/5/86)	Do.
P 86-940	Generic name: Aromatic methyl oxirane	51 FR 16587 (5/5/86)	July 21, 1986.
P 86-941	Generic name: Functionalized styrenated acrylic polymer	51 FR 16587 (5/5/86)	Do.
P 86-942	Generic name: Copolymer of methacrylic and acrylic esters	51 FR 16587 (5/5/86)	Do.
P 86-943	Ethynyl bis[(1-methylethenyl)oxy]silane	51 FR 16587 (5/5/86)	Do.
P 86-944	Tris[(1-methylethenyl)oxy]phenyl silane	51 FR 16587 (5/5/86)	July 22, 1986.
P 86-945	Generic name: Ester of long chain fatty acids	51 FR 16587 (5/5/86)	Do.
P 86-946	Generic name: Perfluoroalkyl propoxy polyalkyl ethers	51 FR 16587 (5/5/86)	Do.
P 86-947	Generic name: Perfluoroalkyl propoxy polyalkyl ethers	51 FR 16587 (5/5/86)	Do.
P 86-948	Generic name: Perfluoroalkyl propoxy polyalkyl ethers	51 FR 16587 (5/5/86)	Do.
P 86-949	Generic name: Chromium complex	51 FR 16587 (5/5/86)	July 23, 1986.
P 86-950	Generic name: Aliphatic urethane acrylate oligomer	51 FR 17232 (17233) (5/9/86)	Do.
P 86-951	Generic name: Aliphatic urethane acrylate oligomer	51 FR 17232 (17233) (5/9/86)	Do.
P 86-952	Generic name: High solids oxirane/anhydride polyester intermediate	51 FR 17232 (17233) (5/9/86)	Do.
P 86-953	Generic name: Salt of alkanethiol	51 FR 17232 (17233) (5/9/86)	Do.
P 86-954	Generic name: Vegetable oil, polymer with aromatic dicarboxylic acid, and aliphatic thiol	51 FR 17232 (17233) (5/9/86)	Do.
P 86-955	4-Hydroxy-3-[[[2-methoxy-5-[[[2-potassium salt (sulfoxy)ethenyl] sulfonyl]phenyl]azo]naphthalene	51 FR 17232 (17233) (5/9/86)	Do.
P 86-956	3,5-Diamino-2,4,6-trimethyl benzene sulfonic acid	51 FR 17232 (17233) (5/9/86)	July 26, 1986.
P 86-957	Polymer of acrylic acid, methacrylic acid, acrylonitrile, methacrylamide, ammonium, persulfate, sodium hydroxide	51 FR 17232 (17233) (5/9/86)	Do.
P 86-958	Generic name: Polyperfluoroalkyl acrylate	51 FR 17232 (17233) (5/9/86)	Do.
P 86-959	Generic name: Amine alkylphosphoric salt	51 FR 17232 (17233) (5/9/86)	Do.
P 86-960	Generic name: Chlorendic acid modified alkyl resin	51 FR 17232 (17233) (5/9/86)	July 27, 1986.
P 86-961	Generic name: Crosslinked MDI-aromatic polyether polyurethane	51 FR 17232 (17233) (5/9/86)	Do.
P 86-962	Generic name: Polyether ester amine	51 FR 17232 (17233) (5/9/86)	Do.
P 86-963	Generic name: Polyether polyamine	51 FR 17232 (17233) (5/9/86)	Do.

I. 149 PREMANUFACTURE NOTICES RECEIVED DURING THE MONTH—Continued

PMN No.	Identity/generic name	FR citation	Expiration date
P 86-964	Generic name: Alkali metal salt of acid modified polyfunctional alkylene oxide polymer.....	51 FR 17232 (17234) (5/9/86).....	Do.
P 86-965	Generic name: Ethylene interpolymer.....	51 FR 17232 (17234) (5/9/86).....	Do.
P 86-966	Generic name: Carboxyl terminated butadiene/acrylonitrile copolymer, 1,4-((2,3-epoxypropoxy)methyl) cyclohexane.....	51 FR 17232 (17234) (5/9/86).....	Do.
P 86-967	Generic name: Ketoxime blocked aromatic isocyanate.....	51 FR 17232 (17234) (5/9/86).....	July 28, 1986.
P 86-968	Generic name: Styrene, polymer with alkanedioic acid, butadiene and substituted alkane.....	51 FR 17232 (17234) (5/9/86).....	Do.
P 86-969	Generic name: Polymer of benzenedicarboxylic acid, alkane triol, vegetable oil and fatty acids, resinous polyol and phenolic resin.....	51 FR 17232 (17234) (5/9/86).....	Do.
Y 86-116	Generic name: Terpene modified hydrocarbon copolymer.....	51 FR 12559 (12560) (4/11/86).....	Apr. 21, 1986.
Y 86-117	Generic name: Polyester/polyamine copolymer.....	51 FR 15686 (4/25/86).....	Apr. 29, 1986.
Y 86-118	Generic name: Water soluble acrylate random copolymer.....	51 FR 16382 (16383) (5/2/86).....	May 4, 1986.
Y 86-119	Generic name: Water soluble acrylate random copolymer.....	51 FR 16382 (16383) (5/2/86).....	Do.
Y 86-120	Generic name: Water soluble acrylate random copolymer.....	51 FR 16382 (16383) (5/2/86).....	Do.
Y 86-121	Generic name: Styrene-acrylate random copolymer emulsion.....	51 FR 16382 (16383) (5/2/86).....	May 5, 1986.
Y 86-122	Generic name: Chain stopped alkyd resin.....	51 FR 16382 (16383) (5/2/86).....	Do.
Y 86-123	Generic name: Vinyl modified alkyd resin.....	51 FR 16382 (16383) (5/2/86).....	Do.
Y 86-124	Generic name: Copolymer of acrylic and methacrylic esters.....	51 FR 16382 (16383) (5/2/86).....	May 6, 1986.
Y 86-125	Generic name: Polyurethane dispersion.....	51 FR 16382 (16383) (5/2/86).....	Do.
Y 86-126	Generic name: Polyurethane dispersion.....	51 FR 16382 (16383) (5/2/86).....	Do.
Y 86-127	Generic name: Alkyd.....	51 FR 16589 (5/5/86).....	May 14, 1986.
Y 86-128	Generic name: Linear saturated polyester resin containing hydroxyl groups.....	51 FR 17235 (5/9/86).....	May 19, 1986.
Y 86-129	Generic name: Linear saturated polyester resin containing hydroxyl groups.....	51 FR 17235 (5/9/86).....	Do.
Y 86-130	Generic name: Branched saturated polyester resin containing hydroxyl groups.....	51 FR 17235 (5/9/86).....	Do.

II. 226 PREMANUFACTURE NOTICES RECEIVED PREVIOUSLY AND STILL UNDER REVIEW AT THE END OF THE MONTH

PMN No.	
P 86-595	P 86-647
P 86-596	P 86-648
P 86-597	P 86-649
P 86-598	P 86-650
P 86-599	P 86-651
P 86-600	P 86-652
P 86-601	P 86-653
P 86-602	P 86-654
P 86-603	P 86-655
P 86-604	P 86-656
P 86-605	P 86-657
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P 86-609	P 86-661
P 86-610	P 86-662
P 86-611	P 86-663
P 86-612	P 86-664
P 86-613	P 86-665
P 86-614	P 86-666
P 86-615	P 86-667
P 86-616	P 86-668
P 86-617	P 86-669
P 86-618	P 86-670
P 86-619	P 86-671
P 86-620	P 86-672
P 86-621	P 86-673
P 86-622	P 86-674
P 86-623	P 86-675
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P 86-625	P 86-677
P 86-626	P 86-678
P 86-627	P 86-679
P 86-628	P 86-680
P 86-629	P 86-681
P 86-630	P 86-682
P 86-631	P 86-683
P 86-632	P 86-684
P 86-633	P 86-685
P 86-634	P 86-686
P 86-635	P 86-687
P 86-636	P 86-688
P 86-637	P 86-689
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P 86-641	P 86-693
P 86-642	P 86-694
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P 86-646	P 86-698

P 86-699	P 86-760
P 86-700	P 86-761
P 86-701	P 86-762
P 86-702	P 86-763
P 86-703	P 86-764
P 86-704	P 86-765
P 86-705	P 86-766
P 86-706	P 86-767
P 86-707	P 86-768
P 86-708	P 86-769
P 86-709	P 86-770
P 86-710	P 86-771
P 86-711	P 86-772
P 86-712	P 86-773
P 86-713	P 86-774
P 86-714	P 86-775
P 86-715	P 86-776
P 86-716	P 86-777
P 86-717	P 86-778
P 86-718	P 86-779
P 86-719	P 86-780
P 86-720	P 86-781
P 86-721	P 86-782
P 86-722	P 86-783
P 86-723	P 86-784
P 86-724	P 86-785
P 86-725	P 86-786
P 86-726	P 86-787
P 86-727	P 86-788
P 86-728	P 86-789
P 86-729	P 86-790
P 86-730	P 86-791
P 86-731	P 86-792
P 86-732	P 86-793
P 86-733	P 86-794
P 86-734	P 86-795
P 86-735	P 86-796
P 86-736	P 86-797
P 86-737	P 86-798
P 86-738	P 86-799
P 86-739	P 86-800
P 86-740	P 86-801
P 86-741	P 86-802
P 86-742	P 86-803
P 86-743	P 86-804
P 86-744	P 86-805
P 86-745	P 86-806
P 86-746	P 86-807
P 86-747	P 86-808
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P 86-755	P 86-816
P 86-756	P 86-817
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III. 156 PREMANUFACTURE NOTICES FOR WHICH THE NOTICE REVIEW PERIOD HAS ENDED DURING THE MONTH (EXPIRATION OF THE NOTICE REVIEW PERIOD DOES NOT SIGNIFY THAT THE CHEMICAL HAD BEEN ADDED TO THE INVENTORY)

PMN No.	
P 84-591	P 86-374
P 84-1219	P 86-375
P 85-800	P 86-376
P 85-822	P 86-377
P 85-1013	P 86-378
P 85-1071	P 86-379
P 85-1168	P 86-380
P 85-1169	P 86-381
P 85-1170	P 86-382
P 85-1210	P 86-383
P 85-1211	P 86-384
P 85-1212	P 86-385
P 85-1270	P 86-386
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P 85-1274	P 86-388
P 85-1341	P 86-389
P 85-1379	P 86-390
P 85-1513	P 86-391
P 86-69	P 86-392
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P 86-330	P 86-394
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P 86-352	P 86-398
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P 86-367	P 86-413
P 86-368	P 86-414
P 86-369	P 86-415
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P 86-371	P 86-417
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P 86-373	P 86-419

P 86-420	P 86-431	P 86-442	P 86-453	P 86-464	Y 86-108
P 86-421	P 86-432	P 86-443	P 86-454	P 86-465	Y 86-109
P 86-422	P 86-433	P 86-444	P 86-455	P 86-466	Y 86-110
P 86-423	P 86-434	P 86-445	P 86-456	P 86-467	Y 86-111
P 86-424	P 86-435	P 86-446	P 86-457	Y 86-102	Y 86-112
P 86-425	P 86-436	P 86-447	P 86-458	Y 86-103	Y 86-113
P 86-426	P 86-437	P 86-448	P 86-459	Y 86-104	Y 86-114
P 86-427	P 86-438	P 86-449	P 86-460	Y 86-105	Y 86-115
P 86-428	P 86-439	P 86-450	P 86-461	Y 86-106	Y 86-116
P 86-429	P 86-440	P 86-451	P 86-462	Y 86-107	Y 86-117
P 86-430	P 86-441	P 86-452	P 86-463		

IV. 87 CHEMICAL SUBSTANCES FOR WHICH EPA HAS RECEIVED NOTICES OF COMMENCEMENT TO MANUFACTURE

PMN No.	Identity/generic name	Date of commencement
P 81-530	Generic name: Substituted thiol salt.....	Mar. 12, 1986.
P 82-171	Generic name: Aromatic substituted triazine disazo dye, tetrasodium salt.....	Mar. 10, 1986.
P 83-30	Generic name: Disubstituted naphthalene.....	Mar. 31, 1986.
P 83-402	Generic name: Poly alkylene oxide aromatic diisocyanate prepolymer.....	Apr. 9, 1986.
P 83-725	Generic name: Methyl lactate.....	Mar. 23, 1986.
P 83-1021	Generic name: Hydroxy functional acrylic copolymer.....	Apr. 3, 1986.
P 84-213	Generic name: 2,8-Phenazinediamine, tetra substituted-5,10-dihydro-10-(substituted-phenyl)-5-(4-substituted) benzoyl.....	Mar. 31, 1986.
P 84-572	2,5,6-Trimethyl-4-hepten-1-ol.....	Mar. 11, 1986.
P 84-573	3-L-n-methoxypropane-1,2-diol.....	Do.
P 84-574	Vanillyl n-butyl ether 4(M-butoxy methyl)-2-methoxy phenol.....	Do.
P 84-578	Methoxy dimethyl tricyclo (5,2,1,0,2,6) decene.....	Do.
P 84-905	Generic name: Rosin modified phenolic resin.....	Mar. 25, 1986.
P 85-60	Generic name: Functional polyester.....	Apr. 9, 1986.
P 85-139	Generic name: Complex polyester.....	Apr. 10, 1986.
P 85-261	Generic name: Substituted phenylazo substituted carbopolycycle.....	Mar. 24, 1986.
P 85-441	Generic name: Polymer from N-methyl-N-vinylacetamide, acrylic acid and N-substituted acrylamide.....	Mar. 10, 1986.
P 85-462	Generic name: Acrylic polymer.....	Mar. 31, 1986.
P 85-528	Generic name: Anthranilate schiff base.....	Apr. 7, 1986.
P 85-706	Generic name: Substituted polyglycol.....	Mar. 30, 1986.
P 85-727	Generic name: Calcium-P, P1-(1-hydroxyethylidene) di-(hydrogen phosphate) dihydrate.....	Feb. 15, 1986.
P 85-932	Generic name: Disubstituted alkyltriazine.....	Mar. 7, 1986.
P 85-933	Generic name: Disubstituted alkyltriazine.....	Mar. 10, 1986.
P 85-948	Generic name: Polysubstituted benzene.....	Apr. 14, 1986.
P 85-988	Generic name: Tetrasubstituted aminonaphthol.....	Mar. 6, 1986.
P 85-989	Generic name: Tetrasubstituted aminonaphthol.....	Mar. 5, 1986.
P 85-1064	Generic name: Biphenolphosphite.....	Mar. 25, 1986.
P 85-1065	Generic name: Biphenol.....	Do.
P 85-1135	Generic name: Alkyl phenol blocked isocyanate, prepolymer.....	Mar. 20, 1986.
P 85-1186	Generic name: Monosubstituted carbamic acid, methyl ester, salt.....	Mar. 13, 1986.
P 85-1218	Generic name: Acrylate copolymer.....	Feb. 18, 1986.
P 85-1294	Generic name: Phosphonium salt.....	Apr. 9, 1986.
P 85-1362	Generic name: Titanium IV neoalkoxy, tris dodecylbenzene-sulfonato-O.....	Mar. 9, 1986.
P 85-1382	Generic name: Amine modified epoxy resin.....	Apr. 9, 1986.
P 85-1383	Generic name: Amine modified epoxy resin.....	Do.
P 85-1400	Generic name: Disubstituted phenylazo disubstituted naphthalenesulfonic acid, salt.....	Mar. 26, 1986.
P 85-1422	Generic name: Aliphatic polyester reacted with aromatic diisocyanate and diol acid, amine salt.....	Mar. 21, 1986.
P 85-1480	Generic name: Substituted bis(phenyl)sobenzofuranone.....	Apr. 4, 1986.
P 85-1509	Generic name: Mixed C ₆ and C ₈ methyl ethers.....	Feb. 24, 1986.
P 86-3	Generic name: Perfluoroalkyl acrylate copolymer latex.....	Mar. 11, 1986.
P 86-44	Generic name: Polyester urethane polymer.....	Mar. 19, 1986.
P 86-45	Generic name: Adipic acid, polymer with disubstituted alkanol.....	Apr. 22, 1986.
P 86-113	Generic name: Polymer of alkyl alcohol; alkyl diol; monocyclic dicarboxylic acid, dimethyl ester; and cyclic ether.....	Mar. 3, 1986.
P 86-114	Generic name: Esterified aromatic carboxylic acid.....	Mar. 24, 1986.
P 86-115	Generic name: Esterified aromatic acyl halide.....	Do.
P 86-116	Generic name: Esterified aromatic carboxylic acid.....	Do.
P 86-117	Generic name: Esterified aromatic acyl halide.....	Do.
P 86-118	Generic name: Esterified polyamic acid.....	Do.
P 86-121	Generic name: Saturated polyester based on terephthalic acid.....	Mar. 7, 1986.
P 86-133	Generic name: Substituted polyamine.....	Mar. 24, 1986.
P 86-134	Generic name: Polyisobutenylsuccinamide.....	Do.
P 86-140	Generic name: Blocked aliphatic polyisocyanate.....	Mar. 12, 1986.
P 86-151	Generic name: Metal salt of alkylphenol sulfides phosphosulfurized polyalkene complexes.....	Apr. 4, 1986.
P 86-176	Generic name: Acid salt of a modified acrylic copolymer.....	Mar. 19, 1986.
P 86-194	Generic name: Carpolactam-blocked cycloaliphatic diisocyanate.....	Mar. 11, 1986.
P 86-196	Generic name: Oil-free saturated polyester.....	Apr. 2, 1986.
P 86-201	Generic name: Polymer of partial ester of polyol with a carboxylic anhydride and an olefin, partial salt.....	Mar. 5, 1986.
P 86-212	Generic name: Cycloaliphatic carbonyl chloride.....	Apr. 7, 1986.
P 86-213	Generic name: Cycloaliphatic carboxylic acid.....	Mar. 20, 1986.
P 86-229	Generic name: 2-Amino-5-[2-(sulfoxyethyl)sulfonyl]phenol.....	Mar. 10, 1986.
P 86-245	Generic name: Azo condensation pigment.....	Mar. 17, 1986.
P 86-246	Generic name: Tetrasubstituted monoazo pigment.....	Apr. 6, 1986.
P 86-249	Generic name: Polymer of isophorone diisocyanate, 2-hydroxy ethyl acrylate and polyoxypropylene triamine.....	Mar. 27, 1986.
P 86-277	Generic name: 4-Substituted phenol, polymer with substituted bis(chlorobenzene), substituted bisphenol and inorganic hydroxide.....	Mar. 10, 1986.
P 86-285	Generic name: Acrylic resin.....	Mar. 17, 1986.
P 86-289	Generic name: Unsaturated polyester resin.....	Apr. 9, 1986.
P 86-300	Complete ester derived from triethylolethane and palm kernel derived from fatty acid.....	Do.
P 86-306	Generic name: Styrenated drying oil alkyd resin.....	Mar. 18, 1986.
P 86-316	Generic name: Water reducible oil-free polyester.....	Mar. 24, 1986.
P 86-325	Generic name: Acrylic resin solution.....	Do.
P 86-326	Generic name: Ester-imide.....	Apr. 1, 1986.
P 86-350	Generic name: Phenolic formaldehyde condensate derivative.....	Apr. 3, 1986.
P 86-363	Generic name: Aryl substituted lactone.....	Apr. 18, 1986.
P 86-366	Generic name: Polyimide.....	Apr. 6, 1986.
P 86-372	Ethanol, potassium salt.....	Apr. 11, 1986.
P 86-374	Generic name: Blocked isocyanate.....	Apr. 10, 1986.
P 86-394	2-Ethoxy-4-methyl phenol.....	Apr. 21, 1986.
P 86-417	Generic name: Vinylsiloxane-organo-platinum complex.....	Apr. 23, 1986.

IV. 87 CHEMICAL SUBSTANCES FOR WHICH EPA HAS RECEIVED NOTICES OF COMMENCEMENT TO MANUFACTURE—Continued

PMN No.	Identity/generic name	Date of commencement
Y 86-42	Generic name: Hydroxy functional acrylic copolymer.....	Do.
Y 86-74	Generic name: Styrenated acrylic modified polyester.....	Do.
Y 86-75	Generic name: Thermosetting alkyd resin.....	Do.
Y 86-76	Generic name: Alkyd resin.....	Do.
Y 86-77	Generic name: Unsaturated polyester.....	Do.
Y 86-84	Generic name: Acrylic modified alkyd.....	Mar. 19, 1986.
Y 86-95	Generic name: Bisphenol A type polyester resin.....	Mar. 26, 1986.
Y 86-98	Generic name: Polyester resin.....	Mar. 28, 1986.
Y 86-99	Generic name: Unsaturated polyester.....	Apr. 8, 1986.
Y 86-100	Generic name: Unsaturated polyester.....	Do.

V. 25 PREMANUFACTURE NOTICES FOR WHICH THE REVIEW PERIOD HAS BEEN SUSPENDED

PMN No.	Identity/generic name	FR citation	Date suspended
P 84-392	Generic name: Alkoxylated cycloaliphatic diamine.....	49 FR 6160 (6161) (2/17/84).....	Apr. 11, 1986.
P 85-109	Generic name: Arylthiodialkylhydrazide.....	49 FR 45657 (11/19/84).....	Do.
P 85-317	Phosphine oxide, diphenyl(2,4,6-trimethyl- benzoyl)-.....	49 FR 50444 (50445) (12/26/84).....	Apr. 2, 1986.
P 85-433	1-Propanol, 3-mercapto.....	50 FR 4896 (4898) (2/4/85).....	Apr. 22, 1986.
P 85-463	Generic name: Silane.....	50 FR 6383 (6384) (2/15/85).....	Apr. 25, 1986.
P 85-562	Generic name: Alkanolalkane triacrylate octylamine adduct.....	50 FR 9504 (9505) (5/6/85).....	Apr. 21, 1986.
P 85-1433	Generic name: Alkoxylate coconut glyceride.....	50 FR 38197 (38199) (6/20/85).....	Apr. 7, 1986.
P 86-36	Generic name: Substituted epoxy resin.....	50 FR 42773 (42774) (10/22/85).....	Apr. 5, 1986.
P 86-223	Generic name: Thiether.....	50 FR 50225 (50227) (12/9/85).....	Apr. 25, 1986.
P 86-304	Generic name: Diester of 1,4-benzenedicarboxylic acid.....	51 FR 4805 (2/7/86).....	Apr. 2, 1986.
P 86-331	Generic name: Propoxylated quaternary amine.....	51 FR 442 (444) (1/6/86).....	Apr. 8, 1986.
P 86-351	Generic name: Carboxyoxamide sulfate polymer.....	51 FR 2569 (3/17/86).....	Apr. 29, 1986.
P 86-382	Generic name: Modified trisphenol epoxy novolac.....	51 FR 4033 (4034) (1/31/86).....	Apr. 11, 1986.
P 86-387	Generic name: Modified acrylic ester.....	51 FR 4033 (4034) (1/31/86).....	Do.
P 86-411	Generic name: Substituted alkyl benzotriazole.....	51 FR 4036 (4032) (1/31/86).....	Apr. 14, 1986.
P 86-412	Generic name: Substituted alkyl benzotriazole.....	51 FR 4036 (4032) (1/31/86).....	Do.
P 86-423	Mixed thiodiphenol oligomers.....	51 FR 4036 (4033) (1/31/86).....	Apr. 21, 1986.
P 86-424	Mixed thiodiphenol oligomers sodium salts.....	51 FR 4036 (4033) (1/31/86).....	Do.
P 86-425	Mixed thiodiphenol oligomers ammonium salts.....	51 FR 4036 (4033) (1/31/86).....	Do.
P 86-466	Generic name: Hydrogen 2-[alpha(2-hydroxy-3-sulfo-5-ethenylsulfonylphenylazo)- benzylidenehydrazine]-5-substituted, cuprate, sodium salt.....	51 FR 5592 (2/14/86).....	Apr. 25, 1986.
P 86-473	Generic name: t-amyl peroxy mono carbonate.....	51 FR 5592 (5593) (2/14/86).....	Apr. 29, 1986.
P 86-544	Butanedioic acid, sulfo-1,4-bis(3,3,4,4,5,5,6,6,7,7,8,8,8-tetradecafluorooctyl)ester, sodium salt.....	51 FR 7118 (7119) (2/26/86).....	Apr. 22, 1986.
P 86-568	Methoxyacetyl chloride.....	51 FR 8009 (8010) (3/7/86).....	Apr. 26, 1986.
P 86-850	Eicosene.....	51 FR 15681 (15682) (4/25/86).....	Apr. 18, 1986.

[FR Doc. 86-17890 Filed 8-27-86; 8:45 am]

BILLING CODE 6560-50-M

Register Federal Register

Thursday
August 28, 1986

Part IV

Environmental Protection Agency

40 CFR Part 461

Water Pollution; Battery Manufacturing-
Point Source Category Effluent
Limitations Guidelines, Pretreatment
Standards and New Source Performance
Standards; Final Rule

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 461

(OW-FRL-(3038-F))

Water Pollution, Battery Manufacturing Point-Source Category Effluent Limitations Guidelines, Pretreatment Standards and New Source Performance Standards

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: EPA is amending the regulation which limits effluent discharges to waters of the United States and the introduction of pollutants into publicly owned treatment works (POTW) by existing and new sources that conduct battery manufacturing operations in the lead subcategory. EPA agreed to propose and promulgate these amendments in a settlement agreement which resolved a lawsuit challenging the final battery manufacturing regulation promulgated by EPA on March 9, 1984 (49 FR 9108).

The proposed amendments include: (1) Certain modifications of the effluent limitations for "best available technology economically achievable" (BAT) and "new source performance standards" (NSPS) for direct discharges; (2) certain modifications of the pretreatment standards for new and existing indirect discharges (PSNS and PSES); and (3) guidance which allows consideration of employee shower wastewater as a process wastewater under certain circumstances.

DATES: In accordance with 40 CFR Part 23 (50 FR 7268, February 21, 1985), this regulation shall be considered issued for the purpose of judicial review at 1:00 p.m. Eastern time on September 11, 1986. This regulation shall become effective October 14, 1986. Under section 509(b)(1) of the Clean Water Act, judicial review of this regulation can be made only by filing a petition for review in the United States Court of Appeals within 90 days after the regulation is considered issued for purposes of judicial review. Under section 509(b)(2) of the Clean Water Act, the requirements in this regulation may not be challenged later in civil or criminal proceedings brought by EPA to enforce these requirements.

ADDRESS: Address questions on this final rule to Mary L. Belefski, Industrial Technology Division (WH-552), Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460.

The record for the final rule will be available for public review not later

than September 29, 1986 in the EPA Public Information Reference Unit, Room 2404 (Rear), (EPA Library), 401 M Street, SW., Washington, DC. The EPA information regulation provides that a reasonable fee may be charged for copying.

FOR FURTHER INFORMATION CONTACT: Question regarding this notice may be addressed to Mr. Ernst P. Hall at (202) 382-7126.

SUPPLEMENTARY INFORMATION:

Organization of this Notice:

- I. Legal Authority.
- II. Background.
 - A. Rulemaking and Settlement Agreement.
 - B. Effect of the Settlement Agreement.
- III. Amendments to the Battery Manufacturing Regulation.
 - A. Effluent Limitations and Standards for Battery Wash Operations in the Lead Subcategory.
 - B. Battery Employee Shower Wastewater.
- IV. Guidance to Permit Writers for Handling Non-Regulated Wastewater Sources.
- V. Environmental Impact of the Amendments to the Battery Manufacturing Regulation.
- VI. Economic Impact of the Amendments.
- VII. Executive Order 12291.
- VIII. Regulatory Flexibility Analysis.
- IX. OMB Review.
- X. List of Subjects in 40 CFR Part 461.

I. Legal Authority

The regulation described in this notice is promulgated under authority of sections 301, 304, 306, 307, 308 and 501 of the Clean Water Act (the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1251 et seq., as amended by the Clean Water Act of 1977, Pub. L. 92-217).

II. Background

A. Rulemaking and Settlement Agreement

On March 9, 1984, EPA promulgated a regulation to establish Best Practicable Control Technology Currently Available (BPT) and Best Available Technology Economically Achievable (BAT) Effluent Limitations Guidelines and New Source Performance Standards (NSPS), Pretreatment Standards for Existing Sources (PSES); and Pretreatment Standards for New Sources (PSNS) for the Battery Manufacturing Point-Source Category (40 CFR Part 461, 49 FR 9108). The preamble to the regulation describes the history of the rulemaking.

After publication of the battery manufacturing regulation, certain members of the battery manufacturing industry and the Battery Council International filed a petition to review portions of the regulation that pertained to the lead subcategory (*Battery Council International v. EPA*, 4th Cir. No. 84-1507).

On March 27, 1985, the parties entered into a settlement agreement which resolved all issues raised by petitioners. On April 25, 1985, the United States Court of Appeals for the Fourth Circuit entered an order staying briefing in the lawsuits. In the Settlement Agreement, EPA agreed to publish a notice of proposed rules and preamble language and to solicit comments regarding certain amendments to the final battery manufacturing regulation. If EPA promulgated amendments to the battery manufacturing regulation and preamble language that are substantially the same as and do not alter the meaning of the proposed language, the petitioners agreed to dismiss the lawsuit and not challenge the new amendments.

B. Effect of the Settlement Agreement

As part of the Settlement Agreement, the parties jointly requested the United States Court of Appeals for the Fourth Circuit to stay the effectiveness of certain sections of 40 CFR Part 461 pending final action by EPA on the proposed amendments. The April 25, 1985 court order granted this request.

All limitations and standards proposed to be amended by regulation were stayed by the court order (i.e., they are not currently in effect). However, pending the Agency's final action on the proposed revisions, the parties agreed to treat these proposed amendments and preamble as applicable. All other limitations and standards have remained the same, and EPA is not deleting or amending any of them.

III. Amendments to the Battery Manufacturing Regulation

In accordance with the Settlement Agreement, on January 28, 1986, EPA proposed to amend the effluent limitations and standards for battery wash operations in the lead subcategory. EPA also proposed to provide guidance for the handling of battery employee shower wastewater and nonregulated wastewater sources in the lead subcategory.

EPA received only two comments on the proposal, one from Battery Council International (BCI), and the other from General Motors. Both commenters supported the proposed amendments. Accordingly, EPA is promulgating the following provisions as final amendments to the battery manufacturing regulation.

A. Effluent Limitations and Standards for Battery Wash Operations in the Lead Subcategory

The BAT, PSES, NSPS and PSNS limitations and standards for the battery

wash (with detergent) operation in the lead subcategory were based upon discharging wastewater from the washing of each battery once during the production process. Based upon subsequent reevaluation of this aspect of lead battery production, EPA concludes that batteries are washed with detergent twice at many plants (once after formation and once prior to shipping after the batteries have been in storage); that wastewater from each such battery wash operation may contain pollutants and is properly considered a process wastewater requiring treatment; and that an additional flow allowance for a second battery wash is appropriate for purposes of calculating the mass limits for battery washing operations. Consequently, EPA is doubling the battery wash (with detergent) mass limits for all pollutants covered by battery wash (detergent) BAT, PSES, NSPS and PSNS limitations and standards.

The amended regulation, like the previous regulation, would provide no allowance for discharges from battery wash operations that do not use detergent. The wastewater from such operations may be reused and thus does not need to be discharged.

B. Battery Employee Shower Wastewater

When EPA promulgated the battery manufacturing regulation on March 9, 1984, EPA determined that no flow allowance should be provided for employee showers. EPA reasoned that relatively few employees in battery plants are exposed to high lead dust levels and that adequate means are available for assuring that substantially all lead is removed prior to showering. EPA concluded that there is thus no need for a plant to discharge battery employee shower wastewater as process wastewater (i.e., as water that has contacted and become contaminated with substantial amounts of lead) and that the battery employee shower wastewater can be discharged as sanitary wastewater. See 49 FR 9108, 9123 (March 9, 1984).

The petitioners in *Battery Council International v. EPA*, argued that in some cases, battery employee shower wastewater may be significantly contaminated and require treatment. No data was submitted to demonstrate the actual concentrations of lead in various battery shower wastewaters and EPA continues to believe that battery shower wastewater should not be classified as a process wastewater. However, showers are required by the Occupational Safety and Health Administration (OSHA) for battery plant employees working in

areas with lead exposure in excess of 50 mg/m³. See 29 CFR 1910.1025. This indicates a potential for the contamination of some employee shower wastewater with some amount of lead. Therefore, EPA agrees with petitioners that individual plants should have the opportunity to demonstrate that their particular wastewaters are significantly contaminated and should be accounted for accordingly. EPA is addressing this concern in two ways, one for indirect dischargers and one for direct dischargers.

First, for indirect dischargers in the battery manufacturing point source category, EPA is amending the battery regulation, § 461.34(c), that modifies the way that the combined wastestream formula, 40 CFR 403.6(e), applies to contaminated shower wastewaters. The combined wastestream formula provides a means for determining final discharge requirements for indirect dischargers that combine different wastestreams prior to the treatment and discharge of these combined wastestreams to the publicly owned treatment works. The formula treats certain types of wastestreams, including sanitary wastestreams that are not regulated by a categorical pretreatment standard, as "dilution" streams (F_D in the combined wastestream formula). Thus, battery shower wastewater is considered a dilution stream under the existing regulation.

Under the final § 461.34(c), where battery employee shower wastewater contains a significant amount of lead, and the discharger combines this wastewater with process wastestreams prior to treatment and discharge, the Control Authority is authorized to exercise its discretion to classify the stream as an unregulated stream rather than a dilution stream. Classification as an unregulated stream would result in the consideration of the battery shower wastewater as a contaminated stream that may be combined with regulated wastestreams for purposes of treatment and provided an appropriate flow allowance.

EPA has selected 0.20 mg/l as the concentration of lead that represents a significant contamination of battery employee shower wastewater. This is the lead concentration that was used by EPA as a basis for establishing the monthly average lead mass limitations and standards in the regulation. EPA anticipates that a demonstration of significant contamination would be based on data that can appropriately be compared to the monthly average of 0.20 mg/l. Guidance and sample calculations for pretreatment Control Authorities will

be presented in a "Guidance Manual for Battery Manufacturing Pretreatment Standards." This document can be obtained by writing to the contact listed in the "Address" section of this preamble.

Second, for direct dischargers in the battery manufacturing point source category, EPA is stating its policy that where battery employee shower wastewater is shown to be significantly contaminated (greater than 0.20 mg/l), permit writers should likewise provide an allowance when developing the permit. In such situations, it would be appropriate for the permit writer to develop a mass allowance based upon the product of the employee shower wastewater discharge rate and the treatment effectiveness used as a basis for the promulgated regulation (as specified in the Final Development Document for Effluent Limitations Guidelines and Standards for Battery Manufacturing, Vol. II, Table VII-21; EPA 440/1-84/067-V.II).

IV. Guidance to Permit Writers for Handling Non-Regulated Wastewater Sources

For those waste streams not given flow allowances in the regulation, the Agency does not believe they warrant treatment on a national basis because they are generally not contaminated or occur at only one or two plants. The Agency believes that such wastewater sources as noncontact cooling water and boiler blowdown ordinarily do not contain significant quantities of toxic pollutants. However, in some instances wastewater sources such as these may be contaminated. In certain circumstances, the permit writer or Control Authority may develop mass limitations for site-specific wastewater sources.

If the permit writer makes a threshold determination that a wastestream is sufficiently contaminated to require a discharge allowance and further determines that combined treatment with other process wastewater is appropriate, then the permit writer should develop a mass discharge limitation for a site-specific waste stream. The permit writer must use his best professional judgment to decide which nonregulated wastestreams are sufficiently contaminated to require treatment, and which require combined treatment with other process wastewaters.

When consideration of site-specific wastewater sources is warranted as discussed above, the permit writer must quantify the discharge rate of the wastestream. The mass allowance

provided for the waste stream is then obtained from the product of the discharge rate and treatment effectiveness of the technology basis of the promulgated regulation. For example, if the permit writer determines that boiler blowdown requires treatment, he or she must determine the flow rate of contaminated water to be treated. The permit writer can then determine the appropriate treatment technology basis and treatment effectiveness values by referring to the final development document for battery manufacturing. The product of the discharge rate and treatment effectiveness is then the allowed mass discharge. This quantity can then be added to the other building blocks (i.e., mass discharge for the regulated streams) to determine total allowed mass discharge for each pollutant.

In cases where an indirect discharger combines boiler blowdown or non-contact cooling water with regulated streams, the combined wastestream formula (40 FR 403.6(e)) as amended on May 17, 1984, applies. See 49 FR 21024, 21037 (May 17, 1984).

V. Environmental Impact of the Amendments to the Battery Manufacturing Regulation

The amendments will allow 111 existing direct and indirect dischargers to discharge a greater amount of pollutants than was allowed by the March 1984 regulation. The increase in the mass of pollutants allowed to be discharged is not expected to be substantial, however.

The increased quantity of lead that will be discharged at BAT and PSES due to the flow change under the amended regulation averages only 1.7 pounds per plant per year. Increases for copper and iron will be 5.3 and 5.1 pounds per plant per year. For new sources, the increases for these pollutants will be 33% smaller than the increases for existing sources.

For the 1984 promulgated regulation, it was estimated that 72,047 kkg per year of wastewater treatment sludges will be generated at BAT-PSES of which 93 percent was from the lead subcategory. As a result of these proposed amendments, sludge generation will be decreased by less than one percent to about 71,980 kkg. However, lead battery sludges are not specifically listed under RCRA as a hazardous waste and because of excess lime in the BAT-PSES treatment systems, the Agency believes that the sludges will pass the EP toxicity test. Nevertheless, a separate analysis showed that even if all lead battery sludges were classified as hazardous, there would be no adverse economic

impact on the industry from solid waste generation.

VI. Economic Impact of the Amendments

The amendments will not alter the recommended technologies for complying with the battery manufacturing regulation. The Agency considered the economic impact of the regulation when the final regulation was promulgated (see 49 FR 9116). Since the Agency concluded at the time that the regulation was economically achievable, and since it is expected that the amendments will not impose higher cost than the final regulation was estimated to impose, the Agency has concluded that these amendments will not alter the determinations with respect to economic impact that were made previously.

VII. Executive Order 12291

Under Executive Order 12291, EPA must judge whether a regulation is "major" and therefore subject to the requirement of a Regulatory Impact Analysis. Major rules are defined as rules that impose an annual cost to the economy of \$100 million or more, or meet other economic criteria. This regulation, like the regulation promulgated in March 1984, is not major because it does not fall within the criteria for major regulations established in Executive Order 12291.

VIII. Regulatory Flexibility Analysis

Pub. L. 96-354 requires that EPA prepare a Regulatory Flexibility Analysis for regulations that have a significant impact on a substantial number of small entities. In the preamble to the March 9, 1984 final regulation, the Agency concluded that there would not be a significant impact on a substantial number of small entities [49 FR 911]. For that reason, the Agency determined that a formal regulatory flexibility analysis was not required. That conclusion is equally applicable to these amendments, since the amendments would not alter economic impact of the regulation. The Agency has not, therefore, prepared a formal analysis for this regulation.

IX. OMB Review

This regulation was submitted to the Office of Management and Budget for review as required by Executive Order 12291. Any comments from OMB to EPA and any EPA response to those comments are available for public inspection at Room M2404, U.S. EPA, 401 M Street SW., Washington, DC 20460 from 9:00 a.m. to 4:00 p.m. Monday through Friday, excluding Federal holidays. This rule does not contain any

information collection requirements subject to OMB review under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq.

X. List of Subjects in 40 CFR Part 461

Battery manufacturing industry, Primary batteries, dry and wet, Storage batteries, Waste treatment and disposal, Water pollution control.

Dated: August 21, 1986.

Lee M. Thomas,
Administrator.

For the reasons stated above, EPA is amending 40 CFR Part 461 as follows:

PART 461—BATTERY MANUFACTURING POINT SOURCE CATEGORY

1. The authority citation for Part 461 continues to read:

Authority: Sections 301, 304 (b), (c), (e), and (g), 306 (b) and (c), 307, 308 and 501 of the Clean Water Act (the Federal Water Pollution Control Act Amendments of 1972, as amended by the Clean Water Act of 1977) (the "Act"), 33 U.S.C. 1311, 1314 (b), (c), (e) and (g), 1316 (b) and (c), 1317 (b) and (c), and 1361; 86 Stat. 816, Pub. L. 92-500; 91 Stat. 1567, Pub. L. 95-217.

2. Section 461.32 is amended by revising paragraph (a)(4) to read as follows:

§ 461.32 Effluent limitations representing the degree of effluent reduction attainable by the application of the best available technology economically achievable (BAT).

(a) * * *

(4) Subpart C—Battery Wash (Detergent).

BAT EFFLUENT LIMITATIONS

Pollutant or Pollutant Property	Maximum for any 1 Day	Maximum for monthly average
Metric units—mg/kg of lead used		
English units—pounds per 1,000,000 lb of lead used		
Copper.....	1.71	0.90
Lead.....	0.38	0.18
Iron.....	1.08	0.55

* * * * *

3. Section 461.33 is amended by revising paragraph (a)(4) to read as follows:

§ 461.33 New Source performance standards (NSPS).

(a) * * *

(4) Subpart C—Battery Wash (Detergent)—NSPS.

Pollutant or pollutant Property	Maximum for any 1 Day	Maximum for monthly average
Metric units—mg/kg of lead used		
English units—pounds per 1,000,000 lb of lead used		
Copper.....	1.152	0.549
Lead.....	0.252	0.117
Iron.....	1.08	0.55
Oil and grease.....	9.0	9.0
TSS.....	13.5	10.8
pH.....	(¹)	(¹)

¹ Within the limits of 7.5 to 10.0 at all times.

4. Section 461.34 is amended by revising paragraph (a)(4) to read as follows:

§ 461.34 Pretreatment standards for existing sources (PSES).

(a) * * *

(4) Subpart C—Battery Wash—(Detergent)—PSES.

Pollutant or pollutant Property	Maximum for any 1 Day	Maximum for monthly average
Metric units—mg/kg of lead used		
English units—pounds per 1,000,000 lb of lead used		
Copper.....	1.71	0.90

Pollutant or pollutant Property	Maximum for any 1 Day	Maximum for monthly average
Lead.....	0.38	0.18

5. Section 461.35 is amended by revising paragraph (a)(4) to read as follows:

§ 461.35 Pretreatment standards for new sources (PSNS).

(a) * * *

(4) Subpart C—Battery Wash—(Detergent)—PSNS.

Pollutant or pollutant Property	Maximum for any 1 Day	Maximum for monthly average
Metric units—mg/kg of lead used		
English units—pounds per 1,000,000 lb of lead used		
Copper.....	1.152	0.549
Lead.....	0.252	0.117

6. Section 461.34 is amended by adding a new paragraph (c) to read as follows:

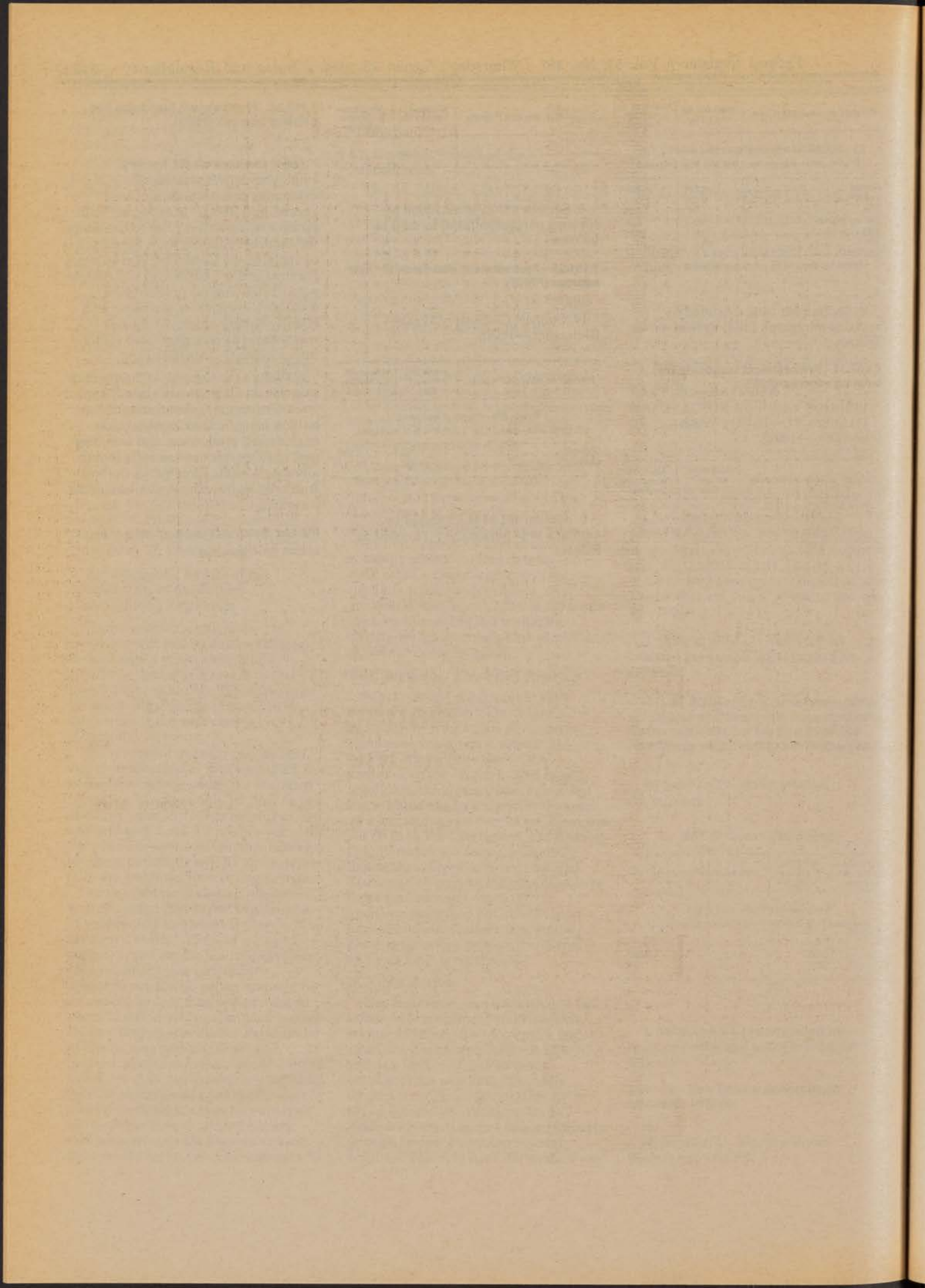
§ 461.34 Pretreatment Standards For Existing Sources (PSES).

(c)(1) In cases where battery employee shower wastewater containing concentrations of lead exceeding 0.20 mg/l is combined with process wastewaters prior to treatment, the Control Authority may, for purposes of applying the Combined Wastestream Formula under § 403.6(e) of this Chapter, notwithstanding the provisions of § 403.6(e), exercise its discretion and classify battery employee shower wastewater as an unregulated rather than a dilute (F_D) wastestream.

(2) Before the Control Authority may exercise its discretion to classify such a stream as an unregulated stream, the battery manufacturer must provide engineering, production, and sampling and analysis information sufficient to allow a determination by the Control Authority on how the stream should be classified.

[FR Doc. 86-19496 Filed 8-27-86; 8:45 am]

BILLING CODE 6560-50-M



Registered Federal Trademark

Thursday
August 28, 1986

Part V

Office of Management and Budget

Cumulative Report on Rescissions and
Deferrals; Notice

Office of Management and Budget**Cumulative Report on Rescissions and Deferrals**

August 1, 1986.

This report is submitted in fulfillment of the requirements of section 1014(e) of the Impoundment Control Act of 1974 (Pub. L. 93-344). Section 1014(e) provides for a monthly report listing all budget authority for this fiscal year for which, as of the first day of the month, a special message has been transmitted to the Congress.

This report gives the status as of August 1, 1986, of 83 rescission proposals and 70 deferrals contained in the seven special messages of FY 1986. These messages were transmitted to the Congress on October 1 and November

25, 1985, February 5, March 12, March 20, April 25, and June 24, 1986.

Rescissions (Table A and Attachment A)

As of July 1, 1986, there were no rescission proposals pending before the Congress.

Deferrals (Table B and Attachment B)

As of July 1, 1986, \$4,173.6 million in 1986 budget authority was being deferred from obligation and \$25.5 million in 1986 outlays was being deferred from expenditure. Attachment B shows the history and status of each deferral reported during FY 1986.

Information From Special Messages

The special messages containing information on the deferrals covered by

this cumulative report are printed in the **Federal Register** listed below:

Vol. 50, FR p. 41100, Tuesday, October 8, 1985

Vol. 50, FR p. 49498, Monday, December 2, 1985

Vol. 51, FR p. 5830, Tuesday, February 18, 1986

Vol. 51, FR p. 9154, Monday, March 17, 1986

Vol. 51, FR p. 10526, Wednesday, March 26, 1986

Vol. 51, FR p. 16274, Thursday, May 1, 1986

Vol. 51, FR p. 24790, Tuesday, July 8, 1986

James C. Miller III,
Director.

BILLING CODE 3110-01-M

TABLE A

STATUS OF 1986 RESCISSIONS

	Amount (In millions of dollars)
Rescissions proposed by the President.....	\$10,126.9
Accepted by the Congress.....	143.2
Rejected by the Congress.....	9,983.7 <u>a/</u>
Pending before the Congress.....	0

TABLE B

STATUS OF 1986 DEFERRALS

	Amount (In millions of dollars)
Deferrals proposed by the President.....	\$24,767.2
Routine Executive releases through August 1, 1986.....	-10,490.7
(OMB/Agency releases of \$16,107.1 million and cumulative adjustments of \$5,616.4 million)	
Overtaken by the Congress.....	-10,077.3
Currently before the Congress.....	4,199.1 <u>b/</u>

a/ Rescission proposals transmitted with the FY 1987 Budget and subsequent special messages were released immediately following expiration of the 45-day clock on rescissions under the Impoundment Control Act. However, Congress subsequently enacted some proposed rescissions in the Urgent Supplemental Appropriations Act, 1986 (P.L. 99-349).

b/ This amount includes \$25.5 million in outlays for a Department of the Treasury deferral (D86-30B).

Attachments

Attachment A - Status of Rescissions - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Rescission Number	Amount Previously Considered by Congress	Amount Currently before Congress	Date of Message	Amount Rescinded	Amount Made Available	Date Made Available	Congressional Action
Agency/Bureau/Account								
FUNDS APPROPRIATED TO THE PRESIDENT								
Multilateral Assistance								
International organizations and programs.	R86-1	39,760		2-5-86		39,760	4-16-86	
	R86-1A			3-20-86				
DEPARTMENT OF AGRICULTURE								
Agricultural Stabilization and Conservation Service								
Rural clean water program.....	R86-2	6,000		2-5-86		6,000	4-16-86	
Agricultural conservation program.....	R86-3	140,839		2-5-86		140,839	4-16-86	
Water bank program.....	R86-4	8,371		2-5-86		8,371	4-16-86	
Dairy indemnity program.....	R86-5	95		2-5-86		95	4-16-86	
Rural Electrification Administration								
Reimbursement to the Rural electrification and telephone revolving fund for interest subsidies and losses..	R86-6	100,000		2-5-86		100,000	4-16-86	
Purchase of Rural Telephone Bank capital stock.....	R86-7	28,710		2-5-86		28,710	4-16-86	
Farmers Home Administration								
Rural development loan fund.....	R86-10	13,674		2-5-86		13,674	4-16-86	
Soil Conservation Service								
Watershed and flood prevention operations	R86-11	60,401		2-5-86		60,401	4-16-86	
Great plains conservation program.....	R86-12	6,606		2-5-86		6,606	4-16-86	
Food and Nutrition Service								
Food donations program.....	R86-13	5,183		2-5-86		5,183	4-16-86	
DEPARTMENT OF COMMERCE								
Economic Development Administration								
Economic development assistance programs.	R86-14	101,309		2-5-86		101,309	4-16-86	
International Trade Administration								
Operations and administration.....	R86-15	19,290		2-5-86		19,290	4-16-86	
National Oceanic and Atmospheric Administration								
Operations, research, and facilities.....	R86-16	63,323		2-5-86		63,323	4-16-86	

Attachment A - Status of Rescissions - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Agency/Bureau/Account	Rescission Number	Amount Previously Considered by Congress	Amount Currently Before Congress	Date of Message	Amount Rescinded	Amount Made Available	Date Made Available	Congressional Action
National Telecommunications and Information Administration Public telecommunications facilities, planning and construction.....	R86-17		21,820		2-5-86		21,820	4-16-86	
DEPARTMENT OF DEFENSE - MILITARY									
Procurement									
Procurement of weapons and tracked combat vehicles, Army.....	R86-81		34,400		4-25-86	34,400	34,400	6-23-86	P.L. 99-349
Shipbuilding and conversion, Navy.....	R86-82		40,100		4-25-86	40,100	40,100	6-23-86	P.L. 99-349
Other procurement, Air Force.....	R86-83		40,000		4-25-86	40,000	40,000	6-23-86	P.L. 99-349
DEPARTMENT OF EDUCATION									
Office of Elementary and Secondary Education									
Compensatory education for the disadvantaged.....	R86-18		7,177		2-5-86		7,177	4-16-86	
Special programs.....	R86-19		37,782		2-5-86		37,782	4-16-86	
Office of Bilingual Education and Minority Languages Affairs									
Immigrant education.....	R86-20		28,710		2-5-86		28,710	4-16-86	
Office of Special Education and Rehabilitative Services									
Education for the handicapped.....	R86-21		44,364		2-5-86		44,364	4-16-86	
Rehabilitation services and handicapped research.....	R86-22		75,439		2-5-86		75,439	4-16-86	
Payments to institutions for the handicapped.....	R86-23		446		2-5-86		446	4-16-86	
Office of Vocational and Adult Education									
Vocational and adult education.....	R86-24		210,337		2-5-86		210,337	4-16-86	
Office of Postsecondary Education									
Student financial assistance.....	R86-25		456,347		2-5-86		456,347	4-16-86	
Higher education.....	R86-26		180,882		2-5-86		180,882	4-16-86	
Special Institutions									
Howard University.....	R86-27		5,699		2-5-86		5,699	4-16-86	

Attachment A - Status of Rescissions - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Agency/Bureau/Account	Rescission Number	Amount Previously Considered by Congress	Amount Currently before Congress	Date of Message	Amount Rescinded	Amount Made Available	Date Made Available	Congressional Action
Office of Educational Research and Improvement Libraries.....	R86-28		33,017		2-5-86		33,017	4-16-86	
DEPARTMENT OF ENERGY									
Energy Programs									
Energy supply, research and development activities.....	R86-8		38,489		3-12-86		38,489	5-9-86	
Fossil energy research and development...	R86-80		13,072		3-12-86		13,072	5-9-86	
Energy conservation.....	R86-77		9,816		3-12-86		9,816	5-9-86	
	R86-77A		5,344		3-20-86		5,344	5-9-86	
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Health Resources and Services Administration									
Health resources and services.....	R86-9		211,455		2-5-86		211,455	4-17-86	
Indian health.....	R86-29		24,262		2-5-86		24,262	4-16-86	
Indian health facilities.....	R96-30		38,642		2-5-86		38,642	4-16-86	
Centers for Disease Control									
Disease control, research, and training..	R86-31		34,096		2-5-86		34,096	4-17-86	
National Institutes of Health									
National Cancer Institute.....	R86-32		6,800		2-5-86		6,800	4-18-86	
National Heart, Lung and Blood Institute.	R86-33		11,469		2-5-86		11,469	4-18-86	
National Institute of Diabetes and Digestive and Kidney Diseases.....	R86-34		7,980		2-5-86		7,980	4-18-86	
National Institute of Neurological and Communicative Disorders and Strokes.....	R86-35		9,554		2-5-86		9,554	4-18-86	
National Institute of Allergy and Infectious Disease.....	R86-36		1,513		2-5-86		1,513	4-18-86	
National Institute of General Medical Sciences.....	R86-37		7,358		2-5-86		7,358	4-18-86	
National Institute of Child Health and Human Development.....	R86-38		1,150		2-5-86		1,150	4-18-86	
National Eye Institute.....	R86-39		5,224		2-5-86		5,224	4-18-86	
National Institute on Aging.....	R86-40		2,679		2-5-86		2,679	4-18-86	
Office of the Director.....	R86-41		23,055		2-5-86		23,055	4-18-86	
Alcohol, Drug Abuse, and Mental Health Administration									
Alcohol, drug abuse, and mental health...	R86-42		39,718		2-5-86		39,718	4-18-86	

Attachment A - Status of Rescissions - Fiscal Year 1986

As of August 1, 1986. Amounts in Thousands of Dollars Agency/Bureau/Account	Rescission Number	Amount Previously Considered by Congress	Amount Currently before Congress	Date of Message	Amount Rescinded	Amount Made Available	Date Made Available	Congressional Action
Health Care Financing Administration Program management.....	R86-43	912		2-5-86		912	4-16-86	
Social Security Administration Refugee and entrant assistance.....	R86-44	87,551		2-5-86		87,551	4-16-86	
Human Development Services Human development services.....	R86-45	29,980		2-5-86		29,980	4-16-86	
Family social services.....	R86-46	6,157		2-5-86		6,157	4-16-86	
Work incentives.....	R86-47	45,884		2-5-86		45,884	4-16-86	
Community services block grant.....	R86-48	182,139		2-5-86		182,139	4-16-86	
Community development credit union revolving fund.....	R86-49	2,529		2-5-86		2,529	4-16-86	
Departmental Management General Departmental management.....	R86-50	19,619		2-5-86		19,619	4-16-86	
Policy research.....	R86-51	220		2-5-86		220	4-16-86	
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								
Housing Programs Subsidized housing programs.....	R86-52	4,416,151		2-5-86		4,416,151	4-16-86	
Congregate services program.....	R86-53	2,555		2-5-86		2,555	4-16-86	
Housing counseling assistance.....	R86-54	3,313		2-5-86		3,313	4-16-86	
Community Planning and Development Urban development action grants.....	R86-55	220,062		2-5-86		220,062	4-16-86	
DEPARTMENT OF THE INTERIOR								
Bureau of Land Management Land acquisition.....	R86-56	3,000		2-5-86		3,000	4-16-86	
United States Fish and Wildlife Service Land acquisition.....	R86-57	4,951		2-5-86		4,951	4-16-86	
National Park Service Construction.....	R86-58	13,613		2-5-86		13,613	4-16-86	
Land acquisition.....	R86-59	83,917		2-5-86	28,710	83,917	4-16-86	P.L. 99-349
Historic preservation fund.....	R86-60	18,523		2-5-86		18,523	4-16-86	

Attachment A - Status of Rescissions - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Rescission Number	Amount Previously Considered by Congress	Amount Currently before Congress	Date of Message	Amount Rescinded	Amount Made Available	Date Made Available	Congressional Action
DEPARTMENT OF JUSTICE								
Federal Prison System								
National Institute of Corrections.....	R86-61	3,315		2-5-86		3,315	4-16-86	
Office of Justice Programs								
Justice assistance.....	R86-62	134,666		2-5-86		134,666	4-16-86	
DEPARTMENT OF LABOR								
Employment and Training Administration								
Training and employment services.....	R86-63	416,037		2-5-86		416,037	4-16-86	
DEPARTMENT OF TRANSPORTATION								
Federal Railroad Administration								
Rail service assistance.....	R86-64	14,355		2-5-86		14,355	4-16-86	
Northeast corridor improvement program...	R86-65	11,962		2-5-86		11,962	4-16-86	
Railroad rehabilitation and improvement financing funds.....	R86-66	32,059		2-5-86		32,059	4-16-86	
Urban Mass Transportation Administration								
Discretionary grants.....	R86-67	521,275		2-5-86		521,275	4-16-86	
DEPARTMENT OF THE TREASURY								
Office of Revenue Sharing								
Payments to State and local government fiscal assistance trust fund.....	R86-68	759,975		2-5-86		759,975	4-16-86	
Federal Law Enforcement Training Center								
Salaries and expenses.....	R86-69	4,976		2-5-86		4,976	4-16-86	
United States Customs Service								
Salaries and expenses.....	R86-70	4,169		2-5-86		4,169	4-16-86	
Operation and maintenance, air interdiction program.....	R86-71	19,275		2-5-86		19,275	4-16-86	
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION								
Research and development.....	R86-72	26,796		2-5-86		26,796	4-16-86	

Attachment A - Status of Rescissions - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Rescission Number	Amount Previously Considered by Congress	Amount Currently before Congress	Date of Message	Amount Rescinded	Amount Made Available	Date Made Available	Congressional Action
Agency/Bureau/Account								
OFFICE OF PERSONNEL MANAGEMENT								
Government payment for annuitants, employees health benefits.....	R86-73	600,000		2-5-86		600,000	4-16-86	
OTHER INDEPENDENT AGENCIES								
Appalachian Regional Commission Appalachian regional development programs	R86-74	81,000		2-5-86		81,000	4-16-86	
Corporation for Public Broadcasting Public broadcasting fund.....	R86-75	44,000		2-5-86		44,000	4-16-86	
National Endowment for the Humanities Grants and administration.....	R86-76	1,903		2-5-86		1,903	4-16-86	
State Justice Institute Salaries and expenses.....	R86-78	7,656		2-5-86		7,656	4-16-86	
United States Railway Association Administrative expenses.....	R86-79	640		2-5-86		640	4-16-86	
Total, rescissions.....		10,126,892	0		143,210	10,126,892		

Notes. - The amount of the rescission proposal for Subsidized housing programs (R86-52) for the "Rental rehabilitation grants program" was inadvertently shown in the Third Special Message as \$71,755,000 instead of \$71,775,000. This report reflects the correct amount.

The following rescission proposal has been adjusted downward to reflect the impact of sequestration: R86-54..... \$3,312,500

Amounts rescinded in the Urgent Supplemental Appropriations Act, 1986 on July 2, 1986 were available between the date of release and the date of enactment.

Attachment B - Status of Deferrals - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars Agency/Bureau/Account	Deferral Number	Amount Transmitted Original Request	Amount Transmitted Subsequent Change	Date of Message	Cumulative OMB/Agency Releases	Congres- sionally Required Releases	Congres- sional Action	Cumulative Adjustments	Amount Deferred as of 8-1-86
FUNDS APPROPRIATED TO THE PRESIDENT									
Appalachian Regional Development Programs									
Appalachian regional development programs..	D86-1	10,000		10-1-85					10,000
International Security Assistance									
Foreign military sales credit.....	D86-32	4,590,000		2-5-86	4,127,912				462,088
Economic support fund.....	D86-24	1,222,216		11-25-85					
	D86-24A		1,936,060	2-5-86	2,635,473			40,491	563,294
Military assistance program.....	D86-33	661,350		2-5-86	648,407				12,943
International military education and training.....	D86-34	27,245		2-5-86	27,245				0
Agency for International Development									
International disaster assistance.....	D86-59	64,607		3-12-86	51,470,			13,137	
Multilateral Development Banks									
Contribution to the special facility for sub-saharan Africa.....	D86-35	75,000		2-5-86	75,000			0	
DEPARTMENT OF AGRICULTURE									
Farmers Home Administration									
Rural housing insurance fund.....	D86-60	700,000		3-12-86		700,000	P.L. 99-349	0	
Forest Service									
Expenses, brush disposal.....	D86-2	77,913		10-1-85					
	D86-2A		30,893	3-12-86	7,300				101,506
Timber salvage sales.....	D86-3	22,854		10-1-85	151		3,153 P.L. 99-349		19,549
Cooperative work.....	D86-61	442,336		3-12-86					442,336
DEPARTMENT OF COMMERCE									
Economic Development Administration									
Economic development assistance programs.....	D86-36	40,000		2-5-86		40,000	P.L. 99-349	0	

Attachment B - Status of Deferrals - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Agency/Bureau/Account	Deferral Number	Amount Transmitted Original Request	Amount Transmitted Subsequent Change	Date of Message	Cumulative OMB/Agency Releases	Congres- sionally Required Releases	Congres- sional Action	Cumulative Adjustments	Amount Deferred as of 8-1-86
National Oceanic and Atmospheric Administration										
Promote and develop fishery products and research pertaining to American fisheries		D86-26	32,333		11-25-85	32,333				0
Fisheries loan fund.....		D86-25	1,959	338	11-25-85					2,297
		D86-25A			2-5-86					
Patent and Trademark Office										
Salaries and expenses.....		D86-65	1,977		3-20-86					1,977
DEPARTMENT OF DEFENSE - MILITARY										
Military Construction										
Military construction, Defense.....		D86-4	353,079	1,488,579	10-1-85					2,350
		D86-4A			2-5-86	1,881,631			42,323	
Family Housing										
Family housing, Defense.....		D86-27	11,800	210,042	11-25-85	144,899				76,943
		D86-27A			2-5-86					
DEPARTMENT OF DEFENSE - CIVIL										
Wildlife Conservation, Military Reservations										
Wildlife conservation.....		D86-5	1,168		10-1-85					1,238
		D86-5A		88	2-5-86	124			106	
DEPARTMENT OF ENERGY										
Energy Programs										
Energy supply, research and development activities.....		D86-38	65,763		2-5-86	41,029	23,156 P.L.	99-349	1,120	2,698
Uranium supply and enrichment activities...		D86-58	584,158		2-5-86					584,158
Fossil energy research and development.....		D86-6	9,247	55,565	10-1-85	44,065	18,140 P.L.	99-349		2,607
		D86-6A			2-5-86					500
		D86-67	500		6-24-86					2,074
Fossil energy construction.....		D86-7	7,038		10-1-85	4,964				36,461
Naval petroleum and oil shale reserves.....		D86-8	155,668	10,798	10-1-85	130,005				
		D86-8A			2-5-86					

Attachment B - Status of Deferrals - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars Agency/Bureau/Account	Deferral Number	Amount Transmitted Original Request	Amount Transmitted Subsequent Change	Date of Message	Cumulative OMB/Agency Releases	Congres- sionally Required Releases	Congres- sional Action	Cumulative Adjustments	Amount Deferred as of 8-1-86
Energy conservation.....	D86-9	9,880		10-1-85					
	D86-9A		26,902	3-12-86	18,560	14,746 P.L. 99-349		3,080	6,556
	D86-68	287		6-24-86					287
Strategic petroleum reserve.....	D86-37	197,941		2-5-86	156,759	197,941 P.L. 99-349		156,759	0
	D86-69	637		6-24-86					637
SPR petroleum account.....	D86-10	536,958		10-1-85					
	D86-10A		40,576	2-5-86		577,534 P.L. 99-349			0
Alternative fuels production.....	D86-11	1,149		10-1-85					
	D86-11A		750	2-5-86	1,899				0
Power Marketing Administration									
Alaska Power Administration, Operation and maintenance.....	D86-62	400		3-12-86					400
Southeastern Power Administration, Operation and maintenance.....	D86-12	25,344		10-1-85	23,936			681	2,089
Southwestern Power Administration, Operation and maintenance.....	D86-13	5,000		10-1-85					
	D86-13A		8,243	2-5-86					13,243
Western Area Power Administration, Construction, rehabilitation, operation and maintenance.....	D86-14	27,095		10-1-85					
	D86-14A		16,371	3-12-86	11,900				31,566
Departmental Administration									
Departmental administration.....	D86-15	8,501		10-1-85	8,501				0
	D86-63	393		3-12-86					393
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Office of Assistant Secretary for Health Scientific activities overseas (special foreign currency program).....	D86-16	3,000		10-1-85					3,000
Health Care Financing Administration Program management.....	D86-57	8,489		2-5-86	8,489				0
	D86-70	45,000		6-24-86					45,000
Social Security Administration Limitation on administrative expenses (construction).....	D86-28	6,489		11-25-85					
	D86-28A		157	2-5-86					6,647

Attachment B - Status of Deferrals - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars	Agency/Bureau/Account	Deferral Number	Amount Transmitted Original Request	Amount Transmitted Subsequent Change	Date of Message	Cumulative OMB/Agency Releases	Congres- sionally Required Releases	Congres- sional Action	Cumulative Adjustments	Amount Deferred as of 8-1-86
Limitation on administrative expenses (excludes disability determination services).....	D86-39		30,000		2-5-86	30,000				0
Limitation on administrative expenses (information technology systems).....	D86-40		114,641		2-5-86					114,641
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT										
Housing Programs										
Annual contributions for assisted housing - Budget authority.....	D86-41		7,032,443		2-5-86	4,731,637	7,032,443 P.L.	99-349	4,731,637	0
Contract authority.....	D86-42		641		2-5-86	641				0
Rental housing development grants.....	D86-43		77,400		2-5-86	77,400				0
Congregate services program.....	D86-44		2,670		2-5-86	2,670				0
Housing for the elderly or handicapped fund	D86-45		599,801		2-5-86	599,801	599,801 P.L.	99-349	599,801	0
Nonprofit sponsor assistance.....	D86-46		1,000		2-5-86	1,000	1,000 P.L.	99-349	1,000	0
Community Planning and Development										
Rental rehabilitation grants program.....	D86-47		77,000		2-5-86	77,000				0
Community development grants.....	D86-48		500,000		2-5-86	251,000	500,000 P.L.	99-349		0
Urban development action grants.....	D86-49		251,000		2-5-86	4,402	135,535 P.L.	99-349	4,402	0
Rehabilitation loan fund.....	D86-50		135,535							
DEPARTMENT OF THE INTERIOR										
Bureau of Land Management										
Payments for proceeds, sale of Mineral Leasing Act of 1920, Section 40(d).....	D86-66		49		3-20-86					49
National Park Service										
Land acquisition and State assistance.....	D86-64		1,893		3-12-86					1,893
DEPARTMENT OF JUSTICE										
Bureau of Prisons										
Buildings and facilities.....	D86-17 D86-17A		20,000	10,730	10-1-85 2-5-86	24,330				6,400

Attachment B - Status of Deferrals - Fiscal Year 1986

As of August 1, 1986 Amounts in Thousands of Dollars Agency/Bureau/Account	Deferral Number	Amount Transmitted Original Request	Amount Transmitted Subsequent Change	Date of Message	Cumulative OMB/Agency Releases	Congres- sionally Required Releases	Congres- sional Action	Cumulative Adjustments	Amount Deferred as of 8-1-86
Office of Justice Programs Crime victims fund.....	D86-18 D86-18A	100,000	3,396	10-1-85 2-5-86	4,300				99,096
DEPARTMENT OF LABOR									
Employment and Training Administration State unemployment insurance and employment service operation.....	D86-51	37,000		2-5-86	33,089				3,911
DEPARTMENT OF STATE									
Bureau of Refugee Programs United States emergency refugee and migration assistance fund, executive.....	D86-19	18,082		10-1-85					18,082
Other Assistance for implementation of a Contadora agreement.....	D86-20	2,000		10-1-85					2,000
DEPARTMENT OF TRANSPORTATION									
Federal Railroad Administration Conrail labor protection.....	D86-52	4,565		2-5-86	4,565				0
Urban Mass Transportation Administration Discretionary grants.....	D86-21	223,600		10-1-85		223,600 P.L. 99-190			0
Federal Aviation Administration Facilities and equipment (Airport and airway trust fund).....	D86-29 D86-29A	686,438	681,723	11-25-85 2-5-86	36,011				1,332,151
Maritime Administration Operations and training.....	D86-53 D86-53A	9,350	888	2-5-86 3-20-86	8,500	10,238 P.L. 99-349		8,500	0

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As of August 1, 1986 Amounts in Thousands of Dollars Agency/Bureau/Account	Deferral Number	Amount Transmitted Original Request	Amount Transmitted Subsequent Change	Date of Message	Cumulative OMB/Agency Releases	Congres- sionally Required Releases	Congres- sional Action	Cumulative Adjustments	Amount Deferred as of 8-1-86
DEPARTMENT OF THE TREASURY									
Office of Revenue Sharing Local government fiscal assistance trust fund.....	D86-30 D86-30A D86-30B	7,743	97,483 19,774	11-25-85 2-5-86 3-12-86	125,712			26,211	25,499
Local government fiscal assistance trust fund.....	D86-31 D86-31A	54,349	25,651	11-25-85 3-12-86	6,055			244	74,189
OTHER INDEPENDENT AGENCIES									
Commission on the Ukraine Famine Salaries and expenses.....	D86-54	233		2-5-86					233
Pennsylvania Avenue Development Corporation Land acquisition and development fund.....	D86-22	10,947		10-1-85					10,947
Railroad Retirement Board Milwaukee railroad restructuring, administration.....	D86-23 D86-55	243 2,201		10-1-85 2-5-86	43 2,009				200 192
United States Information Agency Acquisition and construction of radio facilities.....	D86-56	66,545		2-5-86	4,880				61,666
TOTAL, DEFERRALS.....		20,102,143	4,665,008		16,107,096	10,077,286		5,616,355	4,199,124

Note: All of the above amounts represent budget authority except the Local Government Fiscal Assistance Trust Fund (D86-30B) of outlays only.

Some of the amounts shown above as "Cumulative OMB/Agency Releases" were sequestered pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

The Urgent Supplemental Appropriations Act, 1986 (Public Law 99-349) disapproved parts of deferrals already released. The column entitled "Congressionally Required Releases" reflects the amount required to be released by the law. Appropriate adjustments were made in the "Cumulative Adjustments" column.

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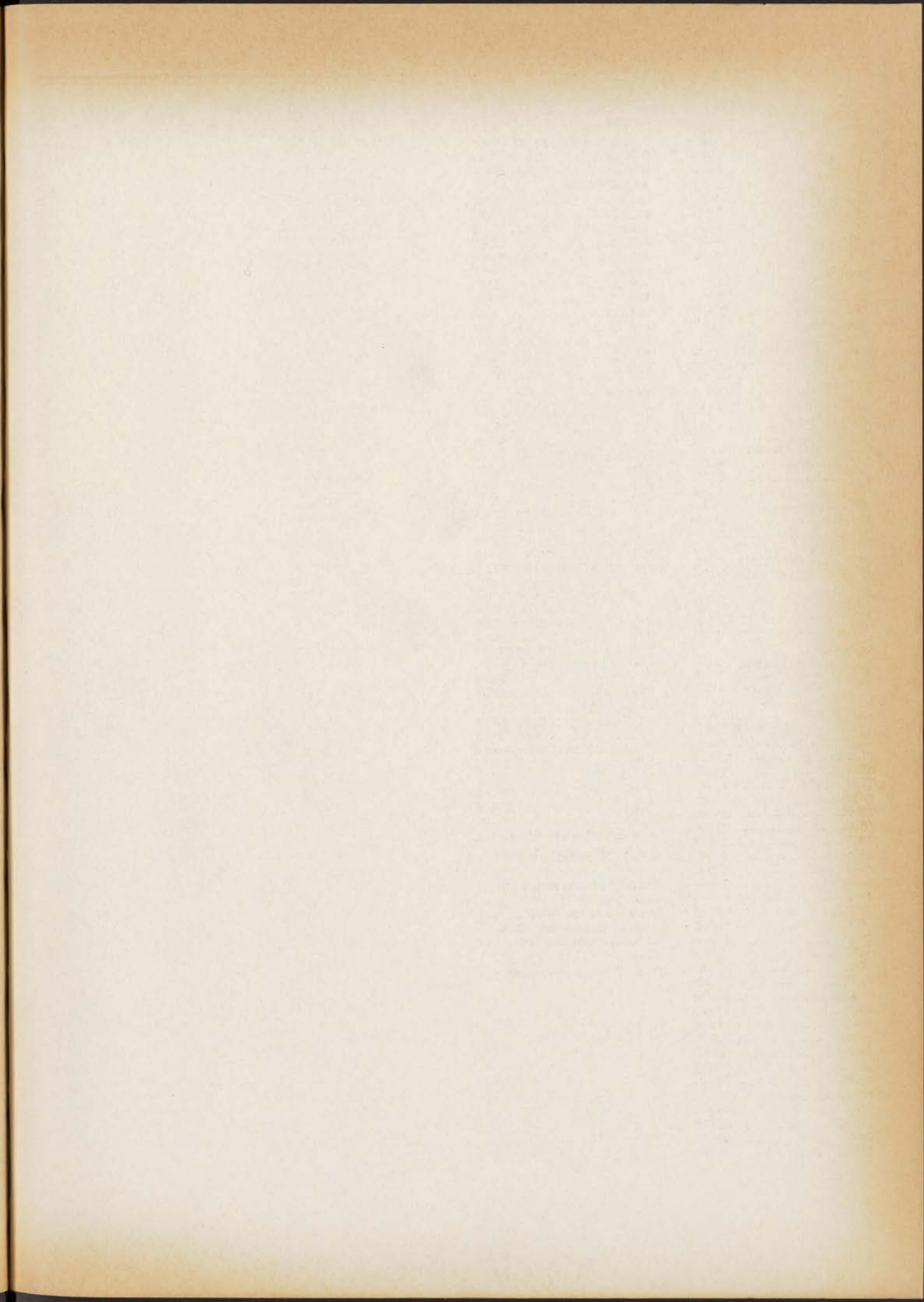
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